



# Mazars Denge

Integrated Report 2020

mazars



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# Presentation

Despite all the challenges of the global pandemic period, we managed to publish the first integrated report of our sector in 2020. The Covid-19 pandemic, the driver of permanent changes in the ways of doing business, has revealed once again the importance of sustainability work and the imminent need for an integrated perspective. Shaping 2020 and our future vision, this report shows that it is possible to apply integrated thinking with a human-oriented approach even under the direst conditions.

The isolation experience that we went through in order to protect ourselves and those around us has forced all of us to "live remotely". And this transferred the normal flow of life to computer and phone screens. Nearly all of our business activities as well as sports, cultural, arts and education activities are performed remotely throughout this pandemic period. We want to share some activities we would like to do but cannot do.

Although we always look forward to realize our dreams, there are many things we cannot do due to the circumstances. We hope, the days that we're not far from our dreams, loved ones and values are coming.

## About the Report

In our journey to create sustainable value, we attach great importance to contributing to raising awareness in the field of sustainability and to being in closer communication with all of our stakeholders. In this regard, we are delighted to share the second integrated report of our company, which aims to generate responsible income based on our values and the development of our employees or in other words, the human aspect.

The report prepared in accordance with the International Integrated Reporting Council (IIRC) Integrated Reporting Framework (<IR>) shares our performance for the 12-month period from January 1, 2020 to December 31, 2020 with regard to our material topics with a focus on our integrated thinking approach.

While drawing up our report in line with the "Comprehensive" practical level of the Global Reporting Initiative (GRI) Standards, we took into consideration the Professional & Commercial Services Guidelines by the Sustainability Accounting Standards Board (SASB). Our report also encompasses the Sustainable Development Goals of the United Nations and the principles of the United Nations Global Compact to which we are a signatory as well as the progress reports under the United National Women's Empowerment Principles.

All our sustainability work including the preparations for the integrated report is carried out by our Sustainability Committee. We would like to express our gratitude to Prof. Güler Aras who guided us throughout our reporting journey.

Greenhouse Gas Emissions  
Total tCO<sub>2</sub>

-45.1% ↓

Percentage of Female Employees

49.7%

Greenhouse Gas Emissions  
Scope 1 (Direct)

-5.7% ↓

Percentage of Female Managers

34.2%

Greenhouse Gas Emissions  
Scope 2 (Indirectly out of energy)

-73.4% ↓

Average Experience (Years) of  
Employees at Mazars Denge

4.9 (9 % ↑)

Greenhouse Gas Emissions  
Scope 3 (Indirectly out of other sources)

-74.8% ↓

Number of Languages Spoken

11

Net Profit/Sales

14.8%

Pro Bono Service Hours

1,493 (14.8% ↑)

Number of Clients

1,479

Individual Social Responsibility  
Project Hours

353.25 (30.8% ↑)

Average  
Client Satisfaction Score

9.07/10

Number of Crisis Desk  
Meetings

127

Number of Webinars Held  
with Senior Management

5

Client and Employee Activities

282% ↑

Number of Disinfections for the Office  
Throughout the Covid-19 Process

22

Client and Employee Activities

6,097 (%71 ↑)

Number of Online Sports Courses

34

Number of Online Interviews

500+

Number of Covid-19 Health and  
Psychology Webinars

5

Tax Circulars

319 (%77.2 ↑)

Number of Psychological Line  
Applications

118

Number of Software Developed

3

The 3<sup>rd</sup> Brand

With the Highest Number  
of Webinars in the Sector

Seminars by the Cultural  
Awareness Foundation

20

Digital Channels & Media Access

19.6 million  
(70% ↑)

The comparisons shows the increases and  
decreases between 2019 and 2020







# Chairman's Message

**Let's not forget that we, as human beings, are responsible not only for each other but also for the sustainability of the entire ecosystem. In this context, it becomes more important how we can contribute to tackle these problems, leaving aside how others act.**

Dear Stakeholders,

Within my message for the 2019 Mazars Denge Integrated Report, I pointed to the state of our world and humanity caused by the consumption frenzy and said that the Covid-19 pandemic was one of the inevitable consequences of this.

Unfortunately, the pandemic has not come to an end during the past year. It will continue to affect us and economies for a while. It seems inevitable that its consequences will be felt for an even longer period of time.

However, the real danger that awaits us is much greater than the Covid-19 pandemic. If the world cannot cope with the climate crisis, it will not be possible to continue the lifestyle described as normal (or new normal) today. While humanity struggles with unemployment, immigration problem, hunger as well as the deadlock of liberal democracies and many more similar problems. Workers who prepare to go to work in the morning to pursue their daily activities, young people who look for a job are knocking of the door of a potential workplace for the zillionth time and many families who live in makeshift houses are struggling over how to feed their children. I am aware of the fact that we cannot expect them to care for the climate crisis. However, all these problems and many others are unfortunately directly linked to and caused by the climate crisis. You can also be sure that many decisions are taken that will affect the future of us and our world somewhere behind closed doors while we are busy with our daily lives and are fully unaware of such decisions. Moreover, nobody cares about our needs while these decisions are taken.

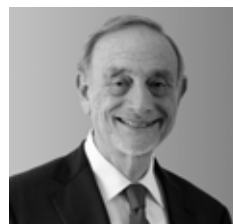
Today, information is considered the most valuable treasure and the biggest investments are made in knowledge. Nations that can access technology will shed light on the world of tomorrow. After all, weren't the information and the technology are most important factor in combating the pandemic?

Is it not why the scientific world has managed to develop a vaccine at a record-breaking pace? Having knowledge and raising awareness about our future are the most important tools for people to cope with the problems I have mentioned above. What's important is that countries and administrators have a fair share of knowledge and technology. They must prioritize "us" rather than "me". Let's not forget that we, as humans beings; we are responsible not only for each other but also for the sustainability of the entire ecosystem. In this context, it becomes more important how we can contribute to tackle these problems, leaving aside how others act.

Considering this approach, our 2020 integrated report prioritizes human, trust, transparency, independence and accountability to compile and relate financial data as well as non-financial information for you.

I hope that you will read our report with pleasure, thanks to all my friends who contributed to the preparation thereof and wish that it will shed light on our sector and all our stakeholders.

Take care of yourself.



**Leon Aslan Coşkun, CPA**  
Chairman  
Mazars Denge

## CEO's Message

The sanctions imposed by the Green Deal will change the ways of doing business for all countries that have commercial ties with the European Union. Similarly, countries such as Japan, China and South Korea have started taking steps towards a greener economy. A standard reporting methodology for non-financial data is about to be harmonized among the pioneer institutions of corporate sustainability such as GRI, TCFD, SASB and IIRC. The creation of the sustainability index for publicly-held enterprises in Turkey under Borsa Istanbul and the following the Sustainability Principles Compliance Framework issued by the Capital Markets Board of Turkey are extremely important developments as institutions inform their stakeholders.



Dear Stakeholders,

When we think of 2020 in the future, the first word that comes to our mind will undoubtedly be the Covid-19 pandemic. In my opinion, the most important message given to the world by this pandemic, which has radically changed the lives of all of us, is to learn to say "us", not "me". This pandemic reminds us that we exist in a world that needs to be shared all together and that we have a responsibility to learn to live by including not only people but all the beings living in the world into "us".

I see that there are two options before us: The first one is to change our consumption habits and behavior patterns immediately by considering the Covid-19 as a messenger. The second one is to accept Covid-19 as an enemy to be destroyed and to get back to our former life as the pandemic loses its impact. In line with the first option, we must unite on a common ground and create a brand new business and living system by leaving aside states, borders, policies and interests as specified in the Sustainable Development Goal 17 "Partnerships for the Goals". If we go for the second option, unfortunately, it is not possible for us to leave a livable world to future generations. Therefore, 2020 is a turning point and when we look back, we will say that we have done it all together or we will roll down the cliff.

Whether we admit it or not, we are facing with a climate crisis, which is much more important than the Covid-19, is negatively affecting the lives of billions of creatures, causing a decrease in biodiversity and leading to mass deaths, waves of immigration, drought, wars and abnormal weather events. Our unfair treatment is not only to each other but also to the the nature. The environment, on the one hand, and people, on the other hand, are paying the price of consumption, selfishness, greed, avarice and ambition for power, an insatiable desire for possession, and brutal destructive competition. Therefore, what we do at this moment has great importance as well as what we will do starting from today in order to keep the global warming below 1.5 degrees.

On the other hand, the world is going through a great transformation. As announced in the beginning of 2020, the Green Deal aims to ensure that the member states of the European Union will be "Net 0" or carbon-neutral by 2050. A fund transfer of EUR 1 trillion is in place to enable countries to achieve this goal.

The sanctions imposed by the Green Deal will change the ways of doing business for all countries that have commercial ties with the European Union. Similarly, countries such as Japan, China and South Korea have started taking steps towards a greener economy. A standard reporting methodology for non-financial data is about to be harmonized among the pioneer institutions of corporate sustainability such as GRI, TCFD, SASB and IIRC. The creation of the sustainability index for publicly-held enterprises in Turkey under Borsa Istanbul followed by the Sustainability Principles Compliance Framework issued by the Capital Markets Board of Turkey are extremely important developments as institutions inform their stakeholders.

As Mazars Denge, we closely follow these developments and make gradual progress towards this direction within our institution. In 2020, we managed to establish an infrastructure allowing for automatic collection of data in many parameters including the carbon emissions measurement system the preliminary work of which is complete. In 2021, we aim to be a B-Corp and integrate non-financial data into our performance evaluation system. Following the completion of our infrastructure, we will set a Net 0 target for Mazars Denge. I believe that all of these efforts will positively affect the financial performance of our company and all our employees will be able to see the relationship between financial and non-financial data more clearly thanks to the infrastructure we have established. Above all, I hope that as a result of all these efforts, our employees will strongly embrace the integrated thinking approach that we are trying to make prominent within the company.

In line with our vision, we have tried to turn the threats brought by 2020 into opportunities that will create benefits not only for ourselves, but also for the society and the environment. As the entire Mazars Denge family, we are leaving behind a challenging period, a period that we strive to overcome with intensive effort, common sense and participatory management, looking towards the future with hope.



**Dr. İzel Levi Coşkun, PhD.**  
CEO / Sustainability  
Ambassador  
Mazars Denge







# About Mazars Denge

## Our Corporate Values

### Our Vision

To be the most reputable company in the sector through our commitment to offer high-quality, reliable and boutique services.

### Our Mission

To achieve sustainable revenue and create sustainable value for all our stakeholders with a focus on our values and (employee) development.

### Our Corporate Values

Respect for all beings in the earth including the society and the environment, in particular, lies at the heart of the relations established by Mazars Denge with its employees. We owe our ability to live together despite our differences to this perspective.

We are trying to introduce an approach combining the **UTILITARIAN ETHICS** looking after the interests of all our stakeholders including the society and nature with the **CARE ETHICS** stressing the importance of emotional communication. We aim to adapt this approach to our daily work with the professional ethics guidelines.

Our four principles underlie our **BOUTIQUE SERVICE** mentality referred by all our stakeholders: attention and time spared by our senior directors for the needs of our clients; the way of doing business producing quick results through rapid access; the capability of presenting creative and tailor-made solutions for the problems of our clients and proactivity.

Starting with recruitment, our search for **TECHNICAL EXCELLENCE** is supported by on-the-job training, general technical training and competence-based training. We know that technical excellence also considered as one of the key pillars of our principles of high-quality service and independence is a goal that is always desired.

All our stakeholders consider us "honest and objective". We owe this to our **INDEPENDENCE** over which we have made no compromise since the beginning. Mazars Global trainings and rules offering norms to support our independence approach make us stronger. Our curiosity, constant inquisitive mindset, the lessons taken from experience, being an organization that can learn from each other and together and being open to innovation prepare us for the future as cultural dynamics enabling us to adopt the habit of **CONTINUOUS DEVELOPMENT**.

### Mazars Denge by Numbers

7

Offices

36

Partners

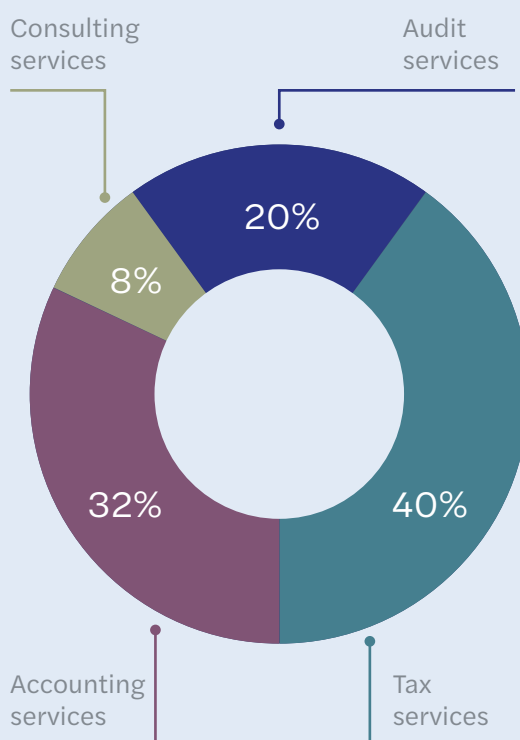
382

Employees

1,479

Clients

### Breakdown of Revenues In 2020



### Net Profit / Sales

14.80%

2020

10.30%

2019

# About Mazars Denge

## Corporate Profile

### About Mazars

Mazars is an international, integrated and independent organization specialized in audit, accounting, consulting and tax services. As Mazars, we operate over a total of 100 countries and regions with more than 90 international integrated partnership offices and 15 liaison offices. Opportunity of working in 19 additional countries apart from these regions through Praxity Alliance's network of professional teams enables us to create more added value for our clients.

The expertise of our 42,000 employees led by over 1,100 partners in more than 300 offices all around the world allows us to provide the same quality of service for all our clients irrespective of where they are. We are proud of helping our clients of all sizes from SMES to global players, start-ups and public organizations in all stages of development.

### About Mazars Denge

Undoubtedly, the basis of our pride lies in taking the first step in 1999 for establishing a partnership with Mazars Group tallying with the values of Denge Group established in Istanbul in 1977 and thereby adding an international dimension to its activities. What sets us apart from our competitors is the fact that our 36 partners 15 of whom are CPAs and a team of 382 employees working in 7 offices within 6 provinces of Turkey offer top quality service and pay senior attention to our 1,479 clients based on boutique service approach.

## Our Services

### Our Tax Services

Full Certification  
Tax Consulting  
Tax Review  
VAT Refund  
Transfer Pricing  
Tax Due Diligence  
Business and Social Security Consultancy  
Turkish Citizenship by Investment  
Tax Cases

### Our Audit Services

Independent and Special Purpose Audit Services

### Our Accounting Services

General Accounting  
Payrolling  
Reporting  
Accounting Revision

### Our Consulting Services

Corporate Finance  
Strategic Management Consulting  
Information Technologies Audit, Security and Consultancy Services  
Financial Due Diligence Services  
Corporate Governance, Risk, Control, Internal Audit and Fraud Audit Services  
Management & Human Resources Consulting Services

### Circulars

Amendments in the Field of Tax

### Denge Academy

Training Services

## Our Tax Services

Highlights of our Tax Consulting and Full Certification, Tax Advisory, Review, Transfer Pricing, Tax Refund and Tax Due Diligence Services:

- Our goal of offering the same quality of service to all our clients through common senior level visits, online meetings, interim reports and creative solutions for technical matters in line with our boutique service approach;
- Increasing the efficiency of our tax audit teams and reducing the workload of our clients' accounting departments owing to our continuously-improved CAP audit software;
- Our quality of service improved through the rated quality audits developed by our Tax Partner Responsible for the Quality Control of Tax Services;
- Monthly technical meetings held with CPAs and directors in all Mazars Denge offices under the leadership of the Chairman

## Our Independent Audit Services

Highlights for our Independent Audit and Special Purpose Audit Services offered at international standards:

- A special blend of our knowledge on insurance with the customer insight of our teams experienced in both sides of the table
- Added value created by the management letters prepared by considering analyses on internal control and information technologies for the identification of risks forming the basis of audits

## Our Accounting and Advisory Services

Our highlights while offering our clients the option of partly or completely outsourcing their accounting departments:

- Vision fueled by the expertise of our partners on independent audit and international tax matters and the added value we have created for our clients from the perspective of a consultant

## Our Consulting Services

Our highlights for Corporate Finance Services, Strategic Management Consulting Services, Management and Human Resources Consulting, Corporate Governance, Risk, Control, Internal Audit and Fraud Audit Services, Information Technologies Audit, Security and Consulting Services and Financial Due Diligence Services:

- Responding to the needs of our clients from a broader perspective through our seasoned directors with prominent success stories and consulting staff with interdisciplinary background
- Achieving time and energy savings through agile project management practices with highly-competent staff following international and national agenda and literature

## Denge Academy

Fulfilling the training needs of our employees on professional matters, Denge Academy can also offer boutique training events for our clients upon request.

“In 2020, we got closer to ourselves the most while we have been away from our friends. For this reason, I missed touching fearlessly the most. And not only touching people, my loved ones, but also the street animals; the cats and the dogs. I missed seeing the person in front of me smile. I missed going to a movie and criticizing it while having dinner, singing along a musician during a concert and even traveling by public transport.”

— Selda Büyükcoşkun, *Senior Tax Specialist*





## Our Value Creation Model

### Our Material Topics

**We periodically update our materiality analysis to guide our activities in line with the expectations of our stakeholders forming the core of our sustainability approach and to continuously follow the levels of materiality for the material topics identified.**

Initially performed in 2016 and revised in 2017 and 2018, our materiality analysis formed the basis of our 2019 report. We initially created a list of topics based on global and sectoral trends, sectoral reports, GRI and SASB Professional Services Sector Standards so as to identify our material topics within the materiality study most recently updated in 2020.

Following this study, we carried out a comprehensive stakeholder analysis by accessing all our stakeholder groups via online surveys. Following this analysis, we completed our materiality analysis for 2020 by setting our strategic priorities after examining the link between the interests and expectations of our stakeholders and our corporate strategy throughout the workshops we held with the Sustainability Committee, Board of Directors and partners.

**“As someone who has been working since I was a youngster except for short intervals, I would feel the lack of and longing for not being able to spend enough time at home with myself, with my nuclear family, and with my son in the following periods. Forcing us to stay at home, the pandemic enabled me to experience this process as a satisfactory and happy experience.”**

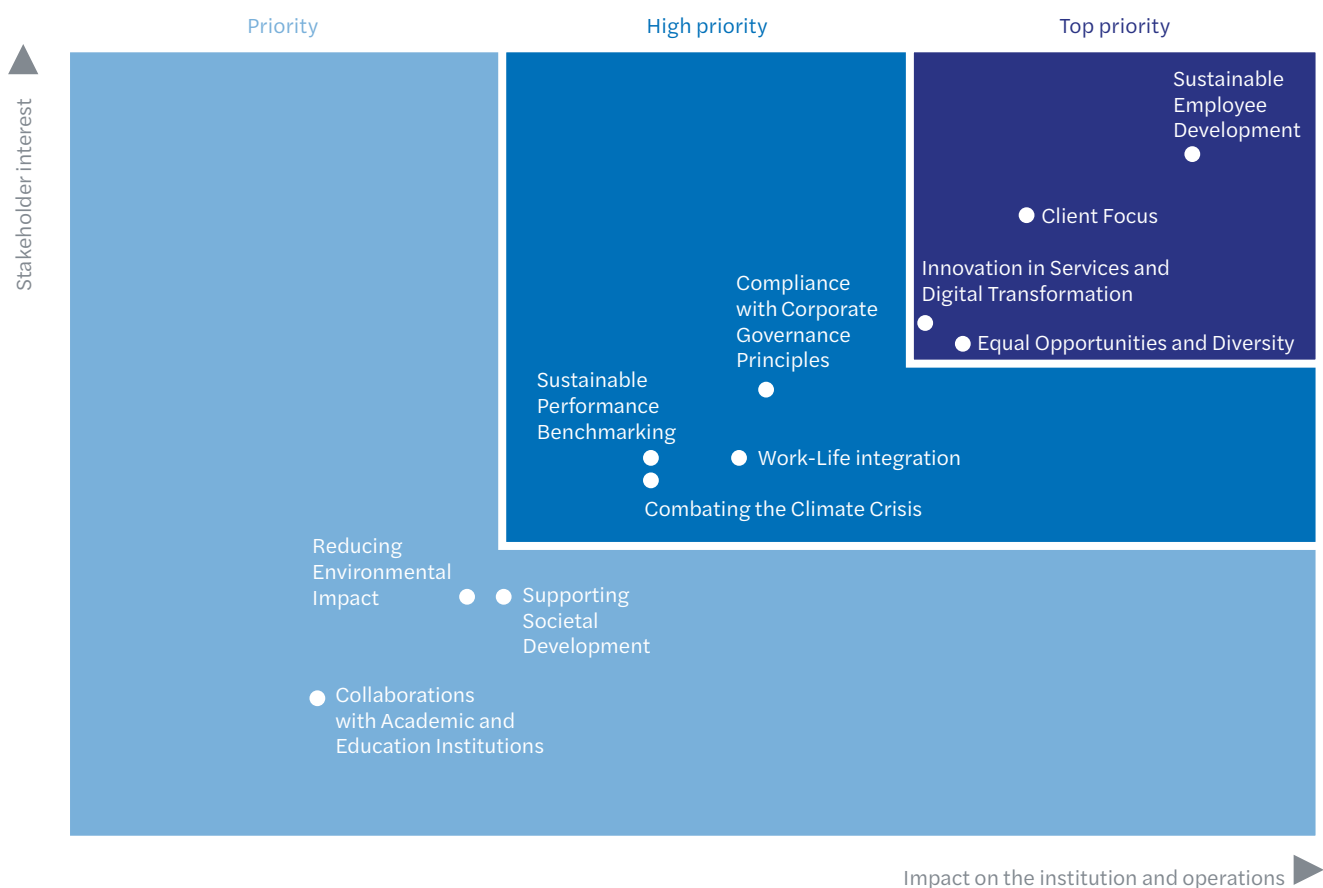
— Beti Mizrahi, *Executive Assistant*

“I missed being able to travel abroad, discover new places, not wearing a mask and not feeling uneasy when I enter into a crowded environment.

I think our company really managed the pandemic process successfully. Mazars Denge advocated not "our business, our client or our brand value" but "our employees first, us first. Employees should be prioritized in a sustainable living and business model so that it may be considered as sustainable. I think we turned such a challenging process into an advantage. Although there was an expectation to the contrary, it may be the working period during which the employees of Mazars Denge feel themselves valuable the most and their motivation is at the highest level.”

— Yağmur Erdaç, *Senior Analyst*

## 2020 Materiality Matrix



Our Strategic Priorities	Relevant Material Topics	Relevant Capital Items	SDGs To Which We Contribute
Supporting Sustainable Employee Development and Employee Satisfaction	<b>1</b> Supporting sustainable employee development and employee satisfaction	Human	
	<b>4</b> Equal opportunities and diversity	Human; Social and Relational	<b>5 8 10 16</b>
	<b>6</b> Work-Life integration	Human	
Client Focus	<b>2</b> Client focus (commitment to clients, independent approach and technical excellence)	Social and Relational; Financial	<b>9 16</b>
Digital Transformation	<b>3</b> Innovation in all services and digital transformation	Intellectual; Financial	<b>8 9 10</b>
Generating Sustainable and Responsible Revenue	<b>5</b> Compliance with corporate governance principles	Financial; Human	<b>8 10 12 16 17</b>
	<b>7</b> Sustainable performance benchmarking	Financial	
Sustainable Development	<b>8</b> Combating the Climate Crisis	Natural	
	<b>9</b> Supporting societal development (collaboration with NGOs on societal, cultural and environmental issues)	Social and Relational	<b>4 8 10 12 13 14 15 16</b>
	<b>10</b> Reducing environmental impact	Natural	
	<b>11</b> Collaborations with academic and education institutions	Social and Relational	





“Sea and sports are very important to me. Rowing workouts with my teammates allow(ed) me to leave behind the busy pace of work and all the difficulties of life. The pandemic has given all of us the command to "fall out". It took away my training and what I shared with my teammates even for a while. I still have hope. I look forward to the day I will return to my training.”

— Müge Olmuş, *Accounting and Advisory Services Manager*



# Our Value Creation Model

## Engagement of Our Stakeholders

### Engagement of Our Stakeholders

Based on our mission to create sustainable value for all our stakeholders, we identify our material and important topics in line with the expectations of our stakeholders and pay attention to periodically reviewing them. We build our long-term strategies depending on these priorities identified with the engagement of our stakeholders.

We meet our stakeholders lying at the heart of our sustainability approach by various means of

communication at intervals varying depending on need and strive to continuously improve our sustainability performance in line with feedback from our stakeholders.

Apart from maintaining the dialogue with our stakeholders by various means of communication, we take into consideration AA1000SES Stakeholder Engagement Standard methodology so as to execute the stakeholder engagement process in a more strategic and comprehensive way while identifying our priority areas of sustainability.

Our Key Stakeholders	Relevant Material Topics	Our Communication Channels	What Are We Doing?
Clients	<div>2</div> <div>3</div> <div>5</div> <div>7</div>	Client visits and meetings, sectoral meetings, seminars/webinars and conferences, client satisfaction surveys, corporate website ( <a href="http://www.mazars.com.tr/">http://www.mazars.com.tr/</a> ), social media accounts, offices, information over e-mail, media, communication campaigns, client contact form, integrated report	<ul style="list-style-type: none"> <li>We believe that we can establish long-term business relationships and contribute to the development of all the sectors we serve including our own sector, in particular, through the importance we attach to client satisfaction. We annually check our quality of service via the client satisfaction surveys we regularly organize in line with this approach and follow client satisfaction at senior management level.</li> <li>Since our establishment, we have been dealing with the needs of all our clients at a senior executive level.</li> <li>In line with our principle of responsible revenue, we offer our clients only the services that they need and that we believe will contribute to the development of their business.</li> <li>We take care to adopt the same values with our clients in order to establish long-term corporate ties with them. During and after the client evaluation process, the environmental and social impacts of our clients' activities play an important role in ensuring the sustainability of our business relationship. We attach importance to our clients' supporting social responsibility activities and engaging in sustainability efforts and we share our experience/facilities on these matters with our clients requiring them.</li> </ul>

Our Key Stakeholders	Relevant Material Topics	Our Communication Channels	What Are We Doing?
Employees	<div>1</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div>	<p>Department meetings, management meetings, intranet site, focus group meetings, talent management meetings, HR Talks, senior level department management meetings, the meetings held by department leaders with teams, employee commitment and satisfaction surveys, Move &amp; Mobility programs, corporate social responsibility projects, employee events, internal announcements, training activities, Mazars Live Mobile App</p>	<ul style="list-style-type: none"> <li>Many new regulations have been issued for employee health, which has become our top priority throughout the pandemic process. Tele-working has been initiated and activities have been performed to raise the awareness of employees about the Covid-19 through written and visual warnings on the disease in question. Rules have been put in place for coming to the office in case of compulsory conditions and the health of our employees has been prioritized.</li> <li>By considering the health of employees as well as public health with the onset of the pandemic, all trainings from the orientation training of newly-recruited personnel to Professional and Technical trainings, soft-skill trainings aimed at talent development, self-help and health/sports trainings have been organized over online platforms.</li> <li>All events planned to be held in 2020 have been transferred to the online platform and efforts have been made to ensure that they can be held on online platforms as much as possible. In this regard, we have organized webinars with leading figures from Turkey on various subjects, Meetings on Hot Topics with the senior management as well as online trainings.</li> </ul>
Shareholders	<div>5</div> <div>7</div> <div>8</div>	<p>Annual ordinary general assembly meeting, board meetings, periodic reports, corporate website (<a href="http://www.mazars.com.tr/">http://www.mazars.com.tr/</a>), social media accounts, teleconference meetings and e-mail correspondence</p>	<ul style="list-style-type: none"> <li>As Mazars Denge, we know very well that unlimited growth is not possible in a world with certain limits and that is why we focus on development instead of growth.</li> <li>We believe that businesses have very important social and environmental impacts going beyond the values measured with money. While determining our key performance indicators for responsible revenue at Mazars Denge, we use parameters such as the ratio of pro bono service hours to total available time, social responsibility hours per person and carbon emissions per person in addition to monetary measures such as turnover, profitability and accounts receivable turnover.</li> </ul>
Industry Representatives & Competitors	<div>5</div> <div>8</div> <div>9</div> <div>10</div>	<p>Meetings within the scope of industry association memberships, corporate collaborations</p>	<p>We consider our competitors as stakeholders, act sensitively regarding the transfer of clients or employees and pay attention to avoiding practices that may harm the sector with regard to pricing policies.</p> <ul style="list-style-type: none"> <li>Through the CAP software, we make available to the entire sector the developments created with the technical know-how of Mazars Denge.</li> <li>Although we know that they will generate significant economic returns, we do not bid for the tenders of projects that we believe will cause environmental damage.</li> </ul>

Our Key Stakeholders	Relevant Material Topics	Our Communication Channels	What Are We Doing?
Public Institutions & Regulatory Authorities	<div>5</div> <div>8</div>	Regular follow-up of reporting obligations and other forms of data flow stipulated in laws and regulations, periodic audits, related meetings, forums and conferences	<ul style="list-style-type: none"> <li>As a requirement and result of our sustainability strategy, we rely on “corporate governance principles” encompassing fair management, transparency, accountability and responsibility components via our way of doing business responsibly.</li> <li>We closely follow all regulations and developments that concern our industry and our activities, and integrate necessary actions into our activities as rapidly as possible.</li> <li>Quality control units were established within the company in order to achieve results worthy of our reputation as a result of the inspections conducted by regulators and the quality control activities organized by Mazars head office every 2 years. The quality control unit under the independent audit department also offers independent audit services to the clients, thus aiming to increase the experience and knowledge of the team through field studies.</li> </ul>
Non-Governmental Organizations and Media	<div>4</div> <div>6</div> <div>8</div> <div>9</div> <div>11</div>	Joint CSR projects, project meetings, sponsorships, sustainability report, corporate website ( <a href="http://www.mazars.com.tr/">http://www.mazars.com.tr/</a> ), memberships	<ul style="list-style-type: none"> <li>Throughout the pandemic, we continued to assume senior management roles in Turkey's leading professional organizations and international trade associations.</li> <li>Given the importance of supporting civil society initiatives, especially in such extraordinary times, we tried to do more than we could do at normal times.</li> <li>Through online summits and meetings, we have made available our knowledge and impact to as many stakeholders as possible that need them.</li> <li>Especially between March-November, when social uncertainty was intensive, we conveyed information notes consisting of the news articles we compiled from international press sources in 6 different languages (Turkish, French, English, Chinese, Russian, Greek) to members of the press and to the members of various NGOs through their secretariats.</li> </ul>

# Our Value Creation Model

## Risks and Opportunities

As Mazars Denge, we systematically identify market risks based on our business experience of over 43 years. We consider all risks listed in this section as an integral part of business processes and aim to turn each risk into an opportunity. Under our sustainability approach, we consider each risk as an opportunity paving the way for learning, taking lessons and improving ourselves through long-term integrated thinking in connection with the inputs and outputs integrated into our business model.

In this regard, we fill in the key performance indicators table including not only financial, but also non-financial data on a monthly basis with data from all our offices and consolidate the results quarterly. As Mazars Denge, we choose our thematic Sustainable Development Goals by considering the aforementioned risks.

Risk Areas	Elements with Potential to Create Risks/ Opportunities	Relevant Material Topics
Risks Related to Professional Liability	<ul style="list-style-type: none"> <li>▪ Reliable and complete information</li> <li>▪ Confidentiality of personal data</li> <li>▪ Cybersecurity</li> <li>▪ Quality control system</li> <li>▪ Ethical conduct</li> </ul>	<div>1</div> <div>2</div> <div>3</div> <div>5</div>
Economic Risks	<ul style="list-style-type: none"> <li>▪ Responsible revenue</li> <li>▪ Collection policies</li> <li>▪ Prudence</li> <li>▪ Exchange rate policies</li> </ul>	<div>2</div> <div>5</div> <div>7</div> <div>8</div>
Technological Risks	<ul style="list-style-type: none"> <li>▪ Intrapreneurship</li> <li>▪ Innovative solutions</li> <li>▪ Change management</li> <li>▪ Data privacy</li> <li>▪ Cybersecurity</li> </ul>	<div>1</div> <div>2</div> <div>3</div> <div>5</div>





Risk Areas	Elements with Potential to Create Risks/ Opportunities	Relevant Material Topics
Operational Risks	<ul style="list-style-type: none"> <li>▪ Employee commitment and satisfaction</li> <li>▪ Efficiency</li> <li>▪ Tele-working</li> <li>▪ Equal opportunities and diversity</li> <li>▪ Occupational health &amp; safety</li> <li>▪ The next generation of labor force</li> <li>▪ Transparency</li> <li>▪ Corporate culture</li> </ul>	<div>1</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div>
Climate Crisis Risk	<ul style="list-style-type: none"> <li>▪ Environmental disasters caused by the climate change</li> <li>▪ Environmental awareness</li> <li>▪ Environmental impact</li> <li>▪ Resource scarcity</li> </ul>	<div>8</div> <div>9</div> <div>10</div>
Social Risks	<ul style="list-style-type: none"> <li>▪ Sustainable development</li> <li>▪ Pandemic</li> <li>▪ Earthquake</li> <li>▪ Political environment</li> </ul>	<div>9</div> <div>11</div>

As Mazars Denge, we systematically identify market risks based on our business experience of over 43 years. We consider all risks listed in this section as an integral part of business processes and aim to turn each risk into an opportunity. Under our sustainability approach, we consider each risk as an opportunity paving the way for learning, taking lessons and improving ourselves through long-term integrated thinking in connection with the inputs and outputs integrated into our business model. In this regard, we fill in the key performance indicators table including not only financial, but also non-financial data on a monthly basis with data from all our offices and consolidate the results quarterly. As Mazars Denge, we choose our thematic Sustainable Development Goals by considering the aforementioned risks.

### Risks Related to Professional Liability

**1. The presence of any major deficiency or wrong information in the reports or opinions presented to clients:** One of the major risks in audit, accounting and consulting services that are based on knowledge and interpretation is the presence of errors in the reports prepared or the opinions presented. Weekly and monthly technical meetings are held in order to turn the prevention of these mistakes into an opportunity for all employees, and these meetings encourage individuals to share their opinions in a sincere environment rather than one of destructive competition. The directors attending these technical meetings can easily express the problems and solution suggestions encountered during the services offered to the stakeholders, and solutions are offered in common sense.

**2. Non-compliance with the Law on the Protection of Personal Data:** This risk was identified when the Law on the Protection of Personal Data entered into force and an internal service unit was established within the company to identify the rules to be followed, the measures to be taken and the responsibilities undertaken. In addition, we started offering services on the Law on the Protection of Personal Data to our stakeholders in coordination with cyber security and legal firms.

**3. Creation of a negative report or the cancellation of license as a result of the inspections of the Public Oversight Authority, the Banking Regulation and Supervision Agency or the Capital Markets Board of Turkey:** Quality control units were established within the company in order to achieve results worthy of our reputation as a result of the inspections conducted by regulators and the quality control activities organized by Mazars head office every 3 years.

The quality control unit under the independent audit department also offers independent audit services to the clients, thus increasing the experience and knowledge of the team through field studies.

**4. Loss of license as a result of unethical behavior by a licensed senior manager:** Ethics is one of Mazars Denge's core values. Open communication is established for any aspect of ethics and employees are encouraged to receive opinions from the senior management on any gray area. The ethics line was introduced as of 2019. 5 applications filed here were examined and finalized by the relevant parties.

### Economic Risks

**1. Failure to generate responsible revenue**

**2. Collection**

**3. Loss of turnover**

**4. Loss of profitability**

**5. Exchange rate**

Mazars Denge management aims to ensure that the revenue generated complies with the articles stipulated in the Global Compact. In this respect, we strive to create value for all stakeholders including society and the environment from an integrated perspective throughout all processes starting with the selection of clients. Cash flow and reserves are checked by the financial affairs department with regard to all economic risks and the reserve funds sufficient for paying wages in the absence of any collection are constantly allocated. In addition, attention is paid to ensuring that the revenue acquired from a single client does not exceed 10% of the respective department's turnover. Daily collections are monitored daily by the department managers in order to reduce average collection periods. In addition, the relationship between the total team time spent on each job and the value created for the respective stakeholder is questioned. Attention is paid to the currency/TRY balance of the revenue generated from clients.

### Technological Risks

**1. Lagging behind technological developments:**

Different innovation projects are developed within the company with contributions from the Intrapreneurship Unit and continuous feedback is received from our employees at all levels. Software developers are employed in Izmir and Istanbul offices.

Our goal is to develop products that can be used

both within the company and by our stakeholders and increase efficiency by combining the capacity of developing software with our technical knowledge and experience regarding our services.

**2. Cybersecurity:** Constant coordination is established between the IT department and the cyber security service unit, and activities are carried out between the IT, IT Audit, Security and Consulting Services and Risk Management departments for all security aspects. Innovations are followed in constant communication with Mazars head office and Mazars offices in other locations and they are turned into benefits both within and outside the company.

## Operational Risks

**1. High employee turnover (Turnover):** The HR department and management ensure that integrated thinking and corporate sustainability approach play a role in all decisions within the company and are integrated into all operations so as to increase the satisfaction of employees considered as the most important stakeholders, and to care for their development not only in technical, but also in social and cultural terms.

**2. Loss of efficiency:** Employees are granted the opportunity of increasing their own efficiency and encouraged to participate in all kinds of innovation projects through the environment of trust and technological development offered within the company.

**3. Moving away from corporate values:** It is expected that the values at the core of Mazars Denge's culture will be internalized and owned by all employees. Our employees aim to build trust in their relations within the company as well as their relations with our clients and other stakeholders. It is believed that commitment to values is at least as important as financial strength for the resilience of our business to market conditions and potential crises.

## Climate Crisis Risk

**Failure to do business due to natural disasters that may be caused by the climate crisis:** Mazars Denge pays attention to raising awareness for all employees about the climate crisis with a focus on its environmental role within its micro area of influence, and cooperates with NGOs operating in the field of environment.

Environmental impact criteria are in play while selecting suppliers and clients and activities are performed to raise awareness on the climate crisis and environment in the institutions and organizations of which the company is a member.

## Social Risks

**1. Pandemic risk:** Pandemics and their implications, which were not on the risk agenda of almost any institution until the end of 2019, changed the course of the whole world in 2020 and posed a great risk, especially in terms of the health of individuals and economy. Although we were not prepared for such a risk in advance as an institution, we created a crisis desk where the Chairman, CEO, CFO, Board Member & Accounting and Consulting Services Department Leader, Executive Board Member & Tax Department Leader, Human Resources & Management Consulting Partner, IT Director and Marketing & Communications Director came together. The crisis desk convened 3 times a week and took measures against all factors that could pose a health risk to the company in line with our "people first" principle. Likewise, necessary actions were taken regarding the issues that posed economic risk and were mentioned in the previous titles.

Maintaining the capability of protecting all our employees and the environment as dictated by the pandemic; developing our self-sufficiency skill; establishing and implementing different communication channels for the coordination between our employees and senior management; rendering the principles of crisis management parallel with our integrated perspective and getting prepared for risks regarding scarcity specific for the post-pandemic period, employee satisfaction, need for psychological support, changes concerning the demands of clients and ways of doing business form the basis of our preparations for the crisis desk in 2021.

**2. Loss of business due to the political environment in the country:** As a fully-independent organization with its stance and approach, Mazars Denge knows the importance of SDG 16 Peace and Justice and supports this cause. It also offers its employees and stakeholders the opportunity of accessing to accurate and objective information.

**3. Earthquake risk:** Internal training activities are organized and drills are performed in Istanbul, which is an earthquake zone, regarding what to do in case of an earthquake. In addition, our IT department takes necessary measures to prevent data loss during an earthquake.

# Our Value Creation Model

## Our Business Model

### Our Inputs

#### Financial Capital

- Strong equity structure
- Ability to generate revenue through different functions
- Risk & Opportunity balance

#### Human Capital

- Equal opportunities
- Investment in sustainable employee development
- Career planning and career support programs
- Work-Life integration
- Seasoned staff

#### Social and Relational Capital

- Capacity of establishing sustainable and effective communication with stakeholders
- Sustainable client portfolio
- Experience sharing
- Strong collaborations with NGOs and Start-ups
- Niche training and organizational structuring practices prioritizing the needs of clients
- Sustainable and responsible approach in relations with business partners and clients

#### Intellectual Capital

- Intrapreneurship perspective
- Digital transformation - Information security investments
- Sectoral expertise
- Certificates and licenses
- Content partnership with different institutions
- Deep-rooted history

#### Produced Capital

- Investments aimed at developing sustainable quality of service
- infrastructure

#### Natural Capital

- A mentality of continuously improving and developing environmental performance
- Investments aimed at raising environmental awareness
- Environmental and social impact assessment for the selection of suppliers

### Our Business Activities

#### How do we create value?

We offer

audit	accounting
tax	consulting

services to our clients operating in various sectors.

We share our expertise and experience with our clients on the basis of our boutique service approach. We blend our technical excellence perspective with the personal skills of our teams. International and national large corporations, public institutions, SMEs and private companies prefer us for our special solutions at the same quality as well as the quality of our activities that are regularly audited through quality control systems.

#### Our corporate values guiding all our activities:

- Respect for Life, Nature and Culture
- Ethics
- Boutique Service
- Technical Excellence
- Independence
- Continuous Development
- Quality



## Our Outputs

### Financial Capital

- Shares of departments in total turnover
- Net Profit / Sales

### Human Capital

- Percentage of female employees
- Percentage of female managers
- Employee turnover rate
- Average training hours per employee

### Social and Relational Capital

- Rate of increase in collaborations
- Rate of increase in client and employee activities

### Intellectual Capital

- Total number of certificates and licenses held by employees

### Produced Capital

- Investments aimed at developing sustainable quality of service infrastructure

### Natural Capital

- Total energy consumption
- Carbon emissions
- Paper saving
- Rate of digitalization for communication activities
- Rate of decrease in paper consumption for communication activities

## The Value We Create and Share

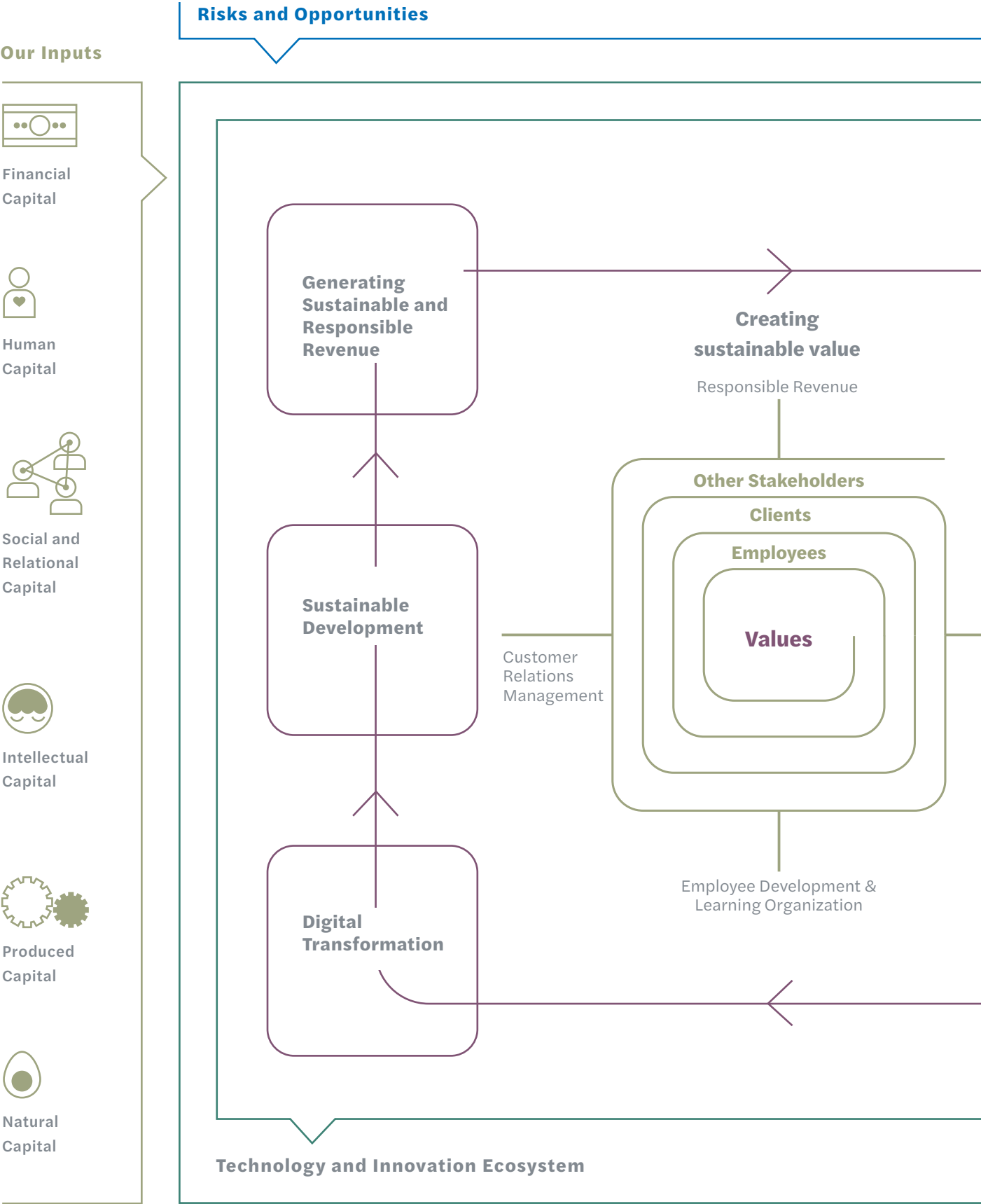
### The value created for Mazars Denge;

- Responsible and sustainable revenue
- Expansion of sustainable service capacity
- Employee commitment and satisfaction
- Client loyalty and satisfaction
- Expansion of the client portfolio
- Reputation
- Brand equity
- Corporate culture
- Contribution of highly-skilled workforce to sustainable service development
- Reducing direct and indirect environmental impact

### The value created for the External Environment and All Stakeholders;

- Responsible management approach protecting the society and future
- Supporting the development of the sector
- Employees' reflection of sustainable perspective to their lives and ways of doing business
- Talent and experience transfer
- Activities contributing to efforts aimed at mitigating the impacts of climate change
- Contribution to the programs supporting young entrepreneurs
- Contribution to social development through Corporate Social Responsibility projects
- Information security

# Our Value Creation Model



## Sustainable Service Approach

## Supporting Sustainable Employee Development and Employee Satisfaction

## Client Experience and Satisfaction

## Our Outcomes - 2020 Performance



### Revenue Diversity

	2020	2019	Change*(points)
Tax services	40.2%	44.9%	-4.7
Accounting and advisory services	32.2%	31.6%	0.6
Audit services	19.5%	16.9%	2.6
Consulting services	8.2%	6.7%	1.5

### Financial Ratios

	Net Profit / Sales
2020	14.8%
2019	10.3%



Percentage of female employees	49.74% ↑
Percentage of female managers	34.19% ↑
Employee turnover rate	18.09% ↓
(voluntary terminations)	17.82% ↓
Average training time per employee (hours)	22.08 ↓



Rate of increase in collaborations/activities	153%
Rate of increase in client and employee activities	256%



Total number of certificates and licenses held by employees	283
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Electricity consumption (kWh/m²)	179,597
Water consumption (m³/employee)	1,198.92
Amount of recycled glass, plastic, paper (kg)	4,301
Rate of digitalization for communication activities	100%
Rate of decrease in paper consumption for communication activities	97%

## Corporate Governance Principles

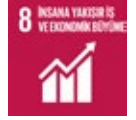
“Before the word 'pandemic' came into our lives, who would have thought that our freedoms that we took for granted would be taken away for quite some time?”

– Sarah Coşkun, CFO





# Our Material Topic in 2020: Covid-19



## Crisis Desk Established: People First

With the onset of the first case in Turkey, we created a 'Crisis Desk' with our senior management, department leaders as well as the directors of Human Resources, Marketing & Communications and IT Departments. Our Crisis Desk team held regular meetings 3 days a week to manage the process. We abided by the principle of people in all decisions and practices. We paid great attention to the prevention of the spread of the disease within the office. Some of the actions taken throughout this process;

- We ensured that the awareness of employees about the Covid-19 was raised through written and visual warnings.
- We introduced the Emergency Action Plan through the decision of the Crisis Desk.
  - We prevented the use of public transportation for employees who had to go to the office, and we made it compulsory for all employees to use taxis by covering the expenses of compulsory transportation.
  - We monitored the health status of employees with symptoms with our Human Resources Department on a daily and regular basis.
  - We did not attend physical meetings and stopped traveling abroad.
- We created WhatsApp groups within departments for a faster and more efficient communication.
- We stopped accepting personal cargo.
- We restricted work from office and required the approval of the manager and then launched the online reservation system for who had to go to the office.
- In order to prevent any problem for our employees, we eliminated the requirement of documents with wet signature on the expense management system and started carrying out the whole process on the online platform.
- We transferred work place doctor activities to the online platform.

- We offered intensive self-help trainings to our employees.
- Our entire office was regularly disinfected with the latest technology.
- We started offering online psychological consultancy services.
- We started offering online sports lessons.
- We initiated phone and internet support in order to support our employees working at home to use phone and internet.
- In line with the curfew restrictions, we introduced a special administrative leave practice so that parents could take their children out.
- We launched a "checklist" application before any activity to be carried out from the office of clients and we started performing risk assessments concerning the clients to be served.
- We distributed protective kits (cloth bags) containing products such as masks, gloves, disinfectants etc. to all employees.
- We signed special agreements with alternative health institutions and organizations in order to perform the fastest and most reliable tests in case of risks arising from the workplace.
- In order to protect employee health, we started doing everything online from computer delivery to paperwork processes, through the IT and HR Department, especially in new hires.

We considered our responsibility for the environment with regard to all measures taken and achieved considerable reduction in our carbon emissions.

## Our Information Technologies are Ready

The pandemic period opened the door to a unique era in which information technologies were at the center of everything and at the same time completely invisible. In 2020, we clearly experienced the advantage of having established the necessary infrastructure for our entire team to work remotely in a safe manner. Due to various audit and field assignments, our Tax, Independent Audit and Consultancy teams were ready for this process both in terms of equipment and habits. We quickly

## Support request to the IT Department

2,792

2018

3,565

2019

6,097

2020

prepared our Accounting and Consultancy Services for this process and enabled them to work remotely.

In other words, we rendered one third of the company ready for this process regarding which two thirds of the company were already prepared. Some of our actions taken throughout this process;

- Although operational requirements prepared us to work remotely long before, we programmed our team to come to the office alternately, as a physical hand had to be there.
- We had to increase capacity. We increased the bandwidth used by the company. It was necessary to serve all people from outside. Capacity was also increased for VPN and token accounts.
- We took extraordinary measures to protect the IT team and technology so that everyone could work from home. The door of the IT room was closed to users for the first time. IT support was given by leaving the products at a delivery point and by making phone/teleconference calls with users.
- We offered to our employees the backup laptop computers we initially allocated for our interns and other needs. We quickly prepared laptops, connections and 2-factor authentication tokens so that they could work under the same security umbrella as others.
- We aimed to increase the knowledge and skills of users with the remote working training and security training provided during delivery. When the emergency transition process was completed, we gradually made a 30% upgrade in the machinery park.
- In order to successfully complete processes such as the collective recruitment of the Independent Audit department, we fulfilled some of our duties in a hybrid setting (half remotely, half within the company).
- We introduced applications we never used before such as Zoom and GotoWebinar following very short testing and evaluation processes. Applications like Microsoft Teams have taken us all further. With the replacement of the webinar concept as a communication tool for meetings and seminars, meeting management, technical support and seminar preparations were to our routine business elements.
- There was an increase regarding the technical support requests of our employees over the ticket system.

### Communication with our stakeholders

#### Providing correct information during the pandemic process: The Press Screening Project

Initiated with the aim of enabling our employees to have daily access to international news articles with the onset of the Covid-19 pandemic, the Press Screening Project grew in a short period of time with requests from our clients and other stakeholders. Prepared through scanning 53 sources in 6 languages and reaching over 1,250 stakeholders each day, our information notes were published between March and November when the Covid-19 pandemic affected the social life the most.

**Daily information note  
preparation for  
9 months**

**News scanning  
in 6 languages  
every day**

**Communication  
with our  
1,250 stakeholders  
every day**

**53 international  
news sources**

#### **A new communication channel with our stakeholders: Webinar Series**

We adapted to the trend of digitalization in 2020 by rapidly acquiring the habit of meeting with our clients over webinars. We became the 3rd brand to have made the highest number of live broadcasting in our sector through 64 webinars/live streams. We hosted 2,870 persons with the participation of 47 speakers throughout our webinars organized with 30 stakeholders.

**64**

webinars / live streams

Collaboration with our

**30**

stakeholders

**47**

speakers

**+2,870**

attendees

**3**

The 3rd brand have held the highest number of webinars/live streams in the sector





"I missed a lot being able to walk freely on the streets without fear of the crowd, taking deep breaths, sitting anywhere and laughing with the people I love, maybe even crying, sharing the day together with my colleagues in the same environment, sometimes in a stressful or fun way, looking at someone's eyes with a smile and saying 'hello, good morning', leaving home whenever I want, travelling, participating in real celebrations rather than online, being with the people I love on their good and bad days without fear and, in short, every activity that used to be simple and routine. I wish to meet them in good health as soon as possible."

— Seda Korkut, *Human Resources Administrator*





# Our 2020 Performance for Strategic Priorities and Insights Supporting Sustainable Employee Development and Employee Satisfaction



## Our Sustainable Human Resources Strategy and Policies

As a company that centers our sustainability strategy around employee development, the foundations of our human resources strategy are;

- Bringing in the best talents who resonate with our values and culture and are open to development and establishing a long-term relationship with them,
- Creating a work environment supporting the professional, technical and personal development of our employees,
- Offering a harmonious working environment where all differences such as gender, religion, language, race, sexual identity, underrepresented groups etc. are accepted and these differences are considered as diversity,
- Offering an ecosystem where our employees can reveal their innovation and creativity potential and which is supported by a participatory management approach and offering career opportunities for them,
- Creating a climate where our employees see themselves as a part of our institution and develop it and themselves with the perspective of an entrepreneur.

In order to achieve our vision to be the most reputable company in the sector; we are developing human resources policies that will;

- Develop practices enabling all employees to adopt and internalize its sustainability strategy to pioneer for the mainstreaming of the strategy for both the company and all stakeholders,
- Devise processes aimed at instilling into all Mazars Denge employees a culture where they

can turn sustainability into a lifestyle during and after working for the company,

- Devise policies to increase women's employment, enable women to be involved in the management more effectively and increase the development of women,
- Pave the way for "shaping the future" through its directors and teams composed of individuals that are dynamic, interconnected, highly-competent, believe in continuous development and set an example with their expertise and values.



### Our Human Capital

Total Number of Employees:  
382

49.74%

Number of Female Employees:  
190

50.26%

Number of Male Employees:  
192

4.88

Average Experience (Years) of our Employees at Mazars Denge

14%

of our employees have 10+ years of experience at Mazars Denge

### Distribution by Age and Gender

Gender / Age	18 - 30	31 - 50	50 +	Total
Women	97	55	38	190
Men	66	75	51	192
<b>Total (Number of People)</b>	<b>163</b>	<b>130</b>	<b>89</b>	<b>382</b>
<b>Total (%)</b>	<b>%43</b>	<b>%34</b>	<b>%23</b>	<b>%100</b>

### Distribution by Education and Gender

Education / Gender	Women	Men	Total
PhD	0	3	3
Master's Degree	20	29	49
Bachelor's Degree	150	138	288
Associate Degree	4	4	8
High School	11	16	27
Primary / Middle School	5	2	7
<b>Total</b>	<b>190</b>	<b>192</b>	<b>382</b>

We could not achieve our goal to increase the percentage of female directors in senior management to 30% -35% and the percentage of female managers to 45-50% by 2020. We made a good progress within a year by raising the percentage of female managers from 37% in 2019 to 41%. We aim to achieve our target rates within 2 years by maintaining this progress with determination.

### Distribution by Position and Gender

Position-Title / Gender	Women		Men		Total
	Persons	Ratio	Persons	Ratio	
Manager (Director and Above) & Department Head	14	26%	40	74%	54
Senior Manager, Manager, Assistant Manager	26	41%	37	59%	63
Supervisor, Specialist, Assistant Specialist	48	53%	42	47%	90
Assistant, Senior Assistant	85	57%	63	43%	148
Operational Support Personnel	17	63%	10	37%	27
<b>Total</b>	<b>190</b>	<b>50%</b>	<b>192</b>	<b>50%</b>	<b>382</b>

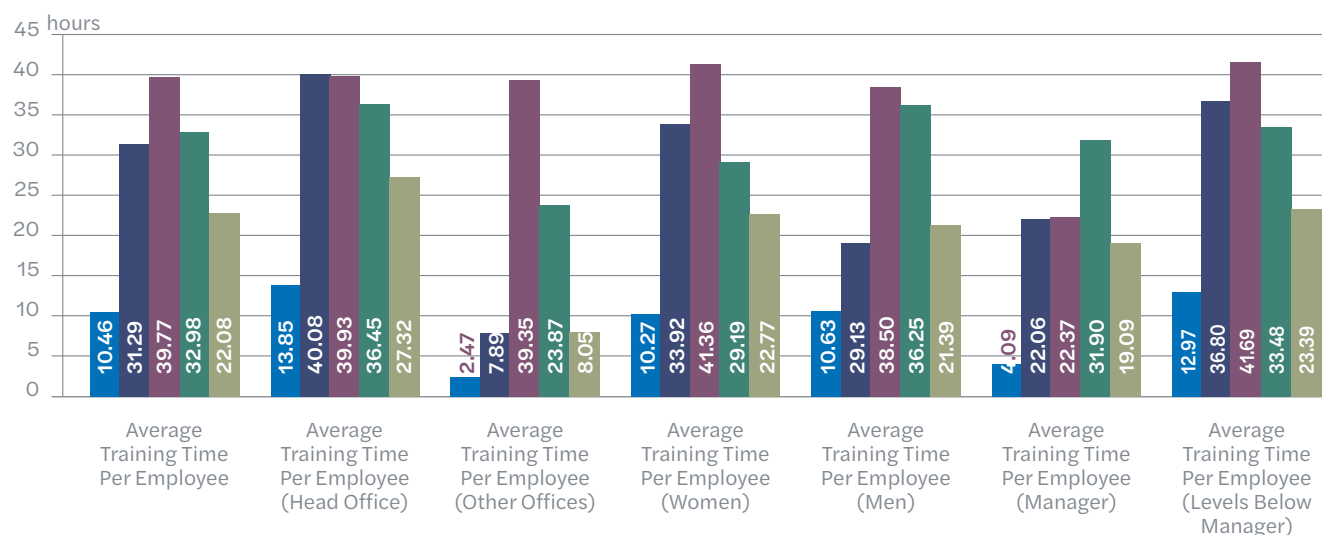
## Sustainable Employee Development

Models encompassing not only professional and technical knowledge, skills and qualifications, but also basic, functional and managerial competencies designed specifically for each function and position lie at the heart of our development approach. In this respect, we also implement programs to develop the managerial competencies Mazars Denge employees will need to manage themselves, their teams and certain functions of our company. In 2021, we plan to integrate ethics, anti-corruption and bribery and discrimination into our training.

The status of professional technical knowledge and skills for our employees and their development needs in these areas are observed by our directors who take part in field studies with them. We implement development programs designed in line with emerging needs for our employees through many different channels such as in-house training, external training, e-learning, micro-learning, international trainings and seminars. In addition to all these development activities, we also enable our employees to receive trainings that will contribute to their awareness of social responsibility and benefit them and their families outside their work lives.

Due to the fact that 2020 was an extraordinary year, the failure to transfer all planned trainings to online platforms in a short period of time and the processes of adaptation by employees to the new working order, we fell short of our target of training hours per person for 2020. Considering the special conditions dictated by the pandemic process, we revised our target of training hours per person for 2021 to 35 hours.

### Average Training Time Per Employee by Years



## Career and Wage Management

Our career and wage policy based on transparent, fair and reliable foundations aims to achieve high performance as well as professional - technical and personal development and to appreciate and reward the added value generated by our employees for the company.

Our career and wage management system relies upon the principle of "equal pay for equal work" and wage-setting over the same rules and principles for all our employees without any discrimination on the basis of religion, language, race, gender, sexual orientation etc. Through the career steps we have created for each function, our employees know the career path they will go through from the moment they start their careers. Our employees that we diligently train through our managers in a master-apprentice relationship from the first moment can be promoted to a higher level via their evaluation by the managers of respective departments. Our Human Resources Department (Talent Roundtable Meetings) when they are ready in terms of professional and technical aspects and upon the request of their managers and in cases where they qualify for the technical qualities and competences regarding their prospective positions.

The aspect of talent integrated into our current performance evaluation system measures the competencies of our employees according to their career objectives and the competencies required by the respective position. We position our employees within the talent management matrix (Nine Box) during the joint evaluation meetings organized for each function with department managers following

the combination of our talent measurement results and the performance outcomes achieved by our employees to attain their career objectives and we identify their potential room for improvement based on these positions and design development programmes specific for the positions.

According to the wage management policy we have adopted, we identify salaries based on the position, not the person and we also focus on an approach rewarding high performance without disturbing the balance between our employees and positions. In line with this perspective, we annually reward our employees generally accepted to be successful through the high performance achieved thereby throughout the year upon the approvals of the senior management, relevant department management and the Human Resources Department.

### International Career Opportunities

As a member of Mazars Group, we give importance and support our employees to have international work experiences and progress in their career paths. In this sense, we transparently share job opportunities in different countries and positions with all our employees through the "International Mobility Letters" published by Mazars Global. Suspended by Mazars Global due to the global pandemic in 2020, international career opportunities will be on the agenda of Mazars Denge again as in previous years in case of the realization of envisaged normalization.

### In-House Events

We did our best to hold on online platforms all events planned to be organized in 2020. In this regard, we have organized webinars with leading figures from Turkey on various subjects, Meetings on Hot Topics with the senior management as well as online trainings with the Cultural Awareness Foundation and online sports lessons.

### Employee Commitment and Satisfaction

In 2020, we continued to apply the action plan encompassing remedial and corrective measures that needed to be taken starting from basic needs as a result of the evaluations made in previous years and we also placed the health of employees on the top of the agenda due to the pandemic. The measures we took and the action plan we introduced in this direction are included in the section "Our Priority in 2020: Covid-19".

### Equal Opportunities and Diversity

We uphold the principle of "equality" in all our human resources processes such as recruitment, promotion, development and career management. We expect our employees to be individuals who respect human rights, ethical values and differences, have an awareness of social responsibility and sustainable development and we manage recruitment practices accordingly. We consider the employment of disabled persons, a legal liability in Turkey, as an inseparable part of equal opportunities and diversity approach and we ensure that our disabled employees bear equal responsibility with other employees in technical functions and progress in their career paths in line with their professional and technical competencies.

Integration of different perspectives and cultures in harmony creates our inclusive and unifying corporate culture. Importance attached to differences is also adopted in recruitments. Our employees completing their undergraduate and graduate training in over 50 different universities in Turkey as well as Europe, America and Asia can communicate in 11 different languages.



# Our 2020 Performance for Strategic Priorities and Insights Client Focus



Our clients from various sectors are generally engaged in manufacturing, professional services and consumer products. The fact that a significant portion of 1,479 clients we served in 2020 are multinational companies grants Mazars Denge an international identity not only with its place within the Mazars system, but also with the companies it serves.

## Client Portfolio - Sectoral Breakdown

Manufacturing	18.8%	Financial Services	7.0%	Other	4.1%
Professional Services	12.0%	Chemicals	6.5%	Shipping and Logistics	3.8%
Consumer Products	11.2%	Media	6.2%	Real Estate and Construction	3.2%
Technology	8.6%	Pharmaceuticals and Healthcare	5.1%	Real Estate and Construction	1.1%
Automotive	7.9%	Energy	4.6%		

Four basic principles guide our relations with our clients.

### 1. Balanced Distribution of Senior Attention to All Clients

Since the establishment of Mazars Denge, we are dealing with the client needs at a senior executive level. Our partners and directors take special care of our clients' needs from the preparation phase of a project to its completion.

### 2. Balance Between Real Needs and Real Solutions

In line with our principle of responsible revenue, we offer our clients only the services that they need and that we believe will contribute to the development of their business.

### 3. Balance Between Technical Excellence and Ethical Values

We know that technical excellence is not sufficient in itself to meet the needs of our clients, but also adherence to ethical values is a must and we aim to ensure that our employees offer the best quality service based on this approach.

### 4. Balance Between Client Satisfaction and Long-Term Relations

Our commitment to clients, independent stance and technical excellence aim to continuously increase client satisfaction. We believe that we can establish long-term business relationships and contribute to the development of all the sectors we serve including our own sector, in particular, through the importance we attach to client satisfaction. We annually check our quality of service via the client satisfaction surveys, we regularly follow client satisfaction at senior management level.

## Results of Client Satisfaction Surveys



Due to the impact of the pandemic on all sectors as well as the change triggered by remote working on the way of contact with our clients, which is an indispensable part of our boutique service approach, we scheduled our 2020 client satisfaction survey from the year-end to the middle of the year. By adding a question to our questions about meeting the specific needs regarding the pandemic process, we measured how well we met the expectations of our clients throughout this period.

**Our clients measured the question "Are you satisfied with the services offered since the onset of the Covid-19 pandemic?" by 9.14 over 10 in average.** Aynı zamanda, müşteri At the same time, our client satisfaction rate was recorded as the highest average of the last 5 years. Undoubtedly, thanks to the coordinated work of all our service and support departments, we received such a high level of acclaim in such a challenging period.

communication with our customers in an all-around fashion by conducting a client process evaluation survey for our employees through our client satisfaction survey. Organized by our Marketing & Communications Department for the first time in 2020 and conducted through phone interviews with 190 out of 259 employees in our Istanbul office, we detected that there was sensitivity concerning the processes of 4 clients. We immediately informed the relevant partners. In this way, we were able to take preventive measures. Some of the outputs of the survey:

- 51% of our employees stated that they did not experience any difficulty in client relations during the Covid-19 period. The department expressing the most difficulties is the Independent Audit Services Department.
- The department to which our clients convey the highest number of special requests is the Consultancy Services Department.
- Responses to the question "What can we do

differently concerning client relations?" are extremely general and the development of the entire team's perspective in this area seems to be important. As a first step in this regard, it has been decided that all Mazars Denge employees will take at least 1 hour of clients relations management training in 2021.

- Responses to the question "Do our daily newsletters serve the purpose?" are positive by 89%.
- Responses to the question "How do you evaluate our social media communication?" are positive by 93%.

Only 9% of our employees responded positively to the question "Did you download our MazarsLive App?" regarding the Mazars Live, the brand new internal communication tool of Mazars. It was understood that many people were not aware of the application. On this occasion, it has been decided to give priority to the promotion of MazarsLive.

[Our Sustainability Policy in Our Corporate](#)



## Communication and Marketing Activities

2020 was a year in which the flexibility and adaptability required by remote working were demonstrated in the best possible way in terms of corporate communication and marketing activities.

### Providing correct information during the pandemic process: Press Screening Project

Initiated with the aim of enabling our employees to have daily access to international news articles with the onset of the Covid-19 pandemic, the Press Screening Project grew in a short period of time with requests from our clients and other stakeholders. Prepared through scanning 53 sources in 6 languages and reaching over 1,250 stakeholders on daily basis, the information notes were read 60,000 times between March and November when the Covid-19 pandemic affected the social life the most.

### We strengthened our communication with our stakeholders

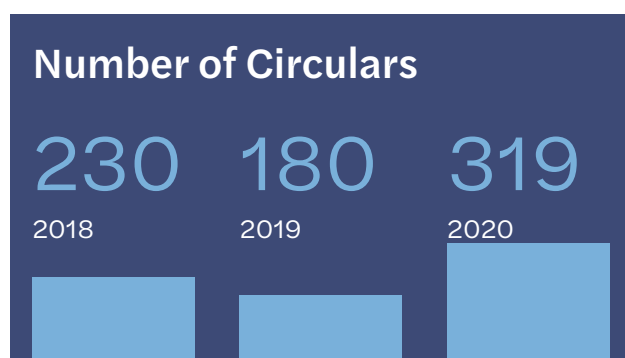
We created and published 1,460 social media content in 2020, where we continued to intensively communicate content. Through the video campaigns, we prepared on special occasions, we achieved a rare view rate s(70.000) in our industry. Our social media reach surpassed 1.6 million. We achieved more than 460 thousand views on Youtube. With our new content policy, Mazars.com.tr attracted more than twice as many visitors as in 2019, reaching 390 thousand clicks. With 161 news articles published in press and 1,284 published in internet media, we achieved over 18 million clicks and TRY 4,325,401 of advertising equivalent.

### A new communication channel with our clients:

Type of Webinar	Number of Webinars	Breakdown
Consulting	13	20%
Audit	2	3%
Entrepreneurship	18	29%
Sustainability	7	11%
In-House Event	11	17%
Tax	13	20%

## Webinar Series

We adapted to the trend of digitalization adopted in 2020 by rapidly acquiring the habit of meeting with our clients over webinars. We became the 3rd brand to have made the highest number of live broadcasting in our sector through 64 webinars/ live streams. We hosted 2,870 persons with the participation of 47 speakers throughout our webinars organized with 30 stakeholders.



### Right information at the right time: Tax Circulars

In 2020, we increased the number of our circulars drawn up by our Tax Services Department to inform our customers.

## Brand Relaunching Activities

### Fortune 500 award ceremony

Our CEO and Sustainability Ambassador Dr. İzel Levi Coşkun, and Mazars Global Chief Brand, Marketing & Communications Officer Cecile Kossoff jointly presented our new brand identity to the leaders of the business world and the integrated perspective we have adopted to convey this identity to the future in a robust way.

As a result of the intensive effort put into the global relaunching of Mazars brand, we applied the brand transition work in Turkey in coordination with the global brand team. Following a 30-hour training, an intensive transformation process was executed in Turkey through the completion of 166 design projects and 1,244 design applications. Throughout the year, 5,992 design applications were performed for 920 projects.



“Today, we all have an important role to play in the rapidly changing world. At least, we all have a say over the change within our companies in our sphere of influence. As Mazars, we made a significant change in our brand identity by witnessing the changes that the next decade will bring as well as the need for transformation. Since our brand is our identity, it is of great importance for us to explain what we will add to the society. Our new identity highlights our role in creating a fairer and more livable world.”

– *Fortune 500 Turkey Digital Summit 2020*

**Cécile Kossoff**

Mazars Global Chief Brand, Marketing & Communications Officer

“When we look back ten years later, I hope that we will have learned the lessons we need to learn from the Covid-19 and that we will be able to implement a new business model. As the business world, we have to ensure that what we do and what we say are compatible with each other through the new ways of doing business we will discover together. In our opinion, the way to achieve this is to adopt integrated thinking combining the past and the future and taking into account financial and non-financial results together. Enabling us to present what we do to our stakeholders in a transparent way, integrated reports will be the important need for all brands taking the next decade seriously.”

– *Fortune 500 Turkey Digital Summit 2020*

**Dr. İzel Levi Coşkun**

Mazars Denge CEO / Sürdürülebilirlik Elçisi

We configured our 2021 communication strategies over digital channels. We plan to reach our stakeholders through social media, media, e-mail communication, internet and search engine optimization and webinar organizations.

**Our Events**

**Doğan Cüceloğlu With Us**

The Women's Day event, which we organized with the participation of Doğan Cüceloğlu on March 8 before the pandemic, lingers strongly in our memories.

**Our Sponsorships**

**9<sup>TH</sup> EXPERT ACCOUNTANTS' ASSOCIATION OF TURKEY (TMUD) CONGRESS**

150 people from different companies attended the TMUD Congress organized by the Expert Accountants' Association of Turkey. Our Tax Services Partner, Ahmet Kartal, delivered a speech on "Transformation of the Accounting Profession in the Digital Age". As a congress sponsor, we opened a stand in the foyer and established contact with 60 participants.

**IT FORUM CxO**

More than 400 participants and over 40 speakers attended the IT Forum CXO the silver sponsor of which was Mazars Denge.

As Mazars Denge, we took our place in the foyer area with an interactive, dynamic, digital and sustainable stand that attracted the attention of participants.

**These Young People Have the Potential!**

We became the gold sponsor for the 5th time at the Turkish Industry & Business Association (TUSIAD)'s “These Young People Have the Potential!” entrepreneurship program in order to bring the perspective of sustainable development to young entrepreneurs at the stage of idea. Nearly 10,000 viewers were reached in the semi-final and award ceremony held online due to the Covid-19 pandemic.



Fortune 500 Turkey Digital Summit 2020:  
Mazars Denge Integrated Report Launch &  
Brand Relaunch

# Our 2020 Performance for Strategic Priorities and Insights

## Digital Transformation



Innovation in Services and Digital Transformation: the need for digital transformation dictated by 2020 showed itself also in CRM and HR systems and required taking actions with regard to:

- rendering remote working more efficient and conducting control over it
- processing corporate data in a more accurate and fault-free way from an integrated perspective
- establishing a system allowing for detecting the different needs of our employees and clients in advance and responding to them in a timely manner
- collecting environmental indicators in a single place
- digitalizing quality control processes

For this reason, comprehensive interviews on CRM and ERP systems were held with 6 different software companies starting from May 2020. At the end of

the process, an agreement was reached with Etiya company based in Turkey, and analysis work was performed in October-November.

The HRM module for which adaptation work was initiated with Mazars Denge in December was offered to the use of Mazars Denge employees with its Beta version on the first working day of 2021. The process will continue in 2021 and will mark a milestone in Mazars Denge's digital transformation.

As an organization closely following the technology and attaching importance to making a difference through the technologies integrated into its services, we make use of the "tailor-made" software programs prepared for us in line with our way of doing business and quality approach.

We carry out our tax audits with the help of "CAP" (Computerized Audit Program) software, the technical infrastructure of which was developed by Futurecom, and to which we have conveyed our knowledge and contributed to its infrastructure



“I joined in Mazars Denge at a very interesting moment; my interviews were conducted on the eve of the pandemic and it skyrocketed during my recruitment process... Therefore, I met most of my directors and colleagues through phone and internet. On the other hand, attending online weekly professional trainings proved to be very beneficial in the way that they created an additional channel for communication with the attendees and they helped my improve my professional competency as well.”

– Dilara Nazlı, *Tax Assistant*

for long years. During our Independent Audits, we use Atlas software that is prepared by Mazars and enables us to offer secure services in synchronization with other Mazars countries.

We take responsibility not only as a user but also as a developer with the role we play in both the preparation and use of these software programs.

### Intrapreneurship

We care about providing a suitable environment for our employees for the adoption of the cultural value of innovation, creativity and entrepreneurship, which are embedded in Mazars Denge's DNA, and their integration into all activities. While doing this, we listen to and learn from people in the entrepreneurship ecosystem about training, competition, achievements and failures and apply them. We make investments to apply the technologies which are used/common in our sector through our innovation work. By following technological developments, we take action quickly and transfer all our knowledge to our colleagues.

While offering sustainable solutions for the future, we also render our way of doing business more meaningful. By understanding our emerging needs, we develop new opportunities and prioritize increasing our sphere of influence.

### Software

In 2020, we strived to realize dreams by engaging in various initiatives and innovation work throughout the year under the leadership of our Intrapreneurship Department. In March when we proceeded with the remote working period, we carried out activities for driving considerable and permanent changes in the way of doing business for some departments. We have completed 3 software programs to be used in our institution with the help of our software developers. We have developed invoice tracking software for our VAT Refund Department and a reservation system for creating a safe environment in line with social distancing in our office for our employees who have to go to the office during the remote working period. In 2020, we have developed a training platform called "Academy" to facilitate the trainings of our Tax Department.

## First In-House Initiative

We set the first example of intrapreneurship of our company with Notitek Technological Solutions firm established at Ege Technopark under the leadership of our partner Anıl Taşkoyan in Izmir by combining our knowledge and Know-How with technology. We offered to our clients Notitek's VAT Refund Robot "KiHero" equipped with artificial intelligence and deep learning capabilities.

## Instagram Live Stream "Everything About the Ecosystem"

Although we could not organize our events face-to-face due to the Covid-19, we managed to transfer our activities to digital platforms. We hosted 10 guests within 7 Instagram live streams titled "Everything About the Ecosystem" to promote Mazars Denge and to enable the persons we wanted to know more closely within the entrepreneurship ecosystem to inspire our employees and to guide those who are not employed by the institution and would like to get information about these subjects and invigorate the spirit of entrepreneurship.

## Cooperation

In line with the importance we attach to the improvement of the entrepreneurship ecosystem, we believe that cooperation with entrepreneurs is also very important. Through our expert staff, we support entrepreneurs with their questions and needs concerning accounting, tax, acquisition and merger as well as valuation. In this context, we have collaborated with Istanbul University Entertech, Sinan Güler Sports Accelerator Program, İşbank Workup, and Hamdi Ulukaya.

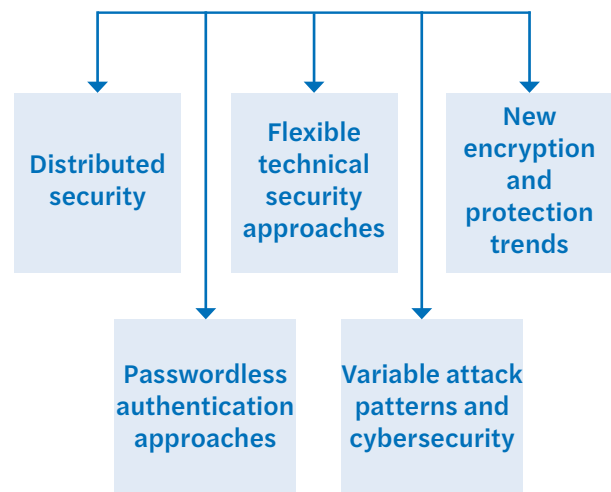
## Information security

As Mazars Denge, we consider "information" as one of the most important resources of all our stakeholders and we continue to perform our activities on the basis of high security standards required by the relevant conditions. To this end, we integrate all our systems, processes and internal control processes to ensure the reliability, confidentiality and availability of data. We make great efforts to make sure that information security

risk is properly managed and corporate information resources are used responsibly.

Our focus on information security is not only to protect our IT infrastructure, but also to manage the information security risk at the organization level, which is an important part of our IT governance, and to develop an information security program. We have an Information Security Committee fulfilling the tasks of coordinating our work on this subject, monitoring the functioning of the system, evaluating and deciding on proposals for improvement.

Responsibility for the Committee composed of members representing each department of our company rests with both the Information Security Director and the representatives of departments. With the onset of the pandemic in 2020, we redesigned our security approach in line with the emerging conditions. We have adopted a distributed security approach to ensure that our teams provide services through secure channels by optimizing the security of our personnel and clients. As Mazars Denge, we support future security sustainability and aim to focus on the following future trends:



As Mazars Denge, we resolutely continue our efforts to ensure vigilant, strategic and proactive information security by using appropriate administrative, technical and physical protection mechanisms.





“With the Covid-19 pandemic reaching our country, I witnessed with increasing anxiety that my freedom, the value of which I was not aware of in my social life, slipped from my hands for more than a year. I tried to convey my love to my mother, father, sibling and even my little nephews/nieces, whom I previously hugged tightly, from a distance, behind the masks, with a bit of bitterness and sadness. The distances got longer, and I could meet with our Beijing and Shanghai offices, which I normally visit at least once a year for business, only through online meetings. Missing out swimming regularly on weekends made me lose my physical and spiritual relaxation, I started to gain weight, and I woke up in the mornings with back pain and headaches like never before. Despite all these conditions, I am hopeful, because humanity is now paying the price of the natural life, which they have ruined its factory settings and devastated it by selfishness and wastefulness, by losing their beloved ones and freedom. The pandemic has taught us painfully that the current economy of production and consumption cannot be maintained.”

— Halil Ibrahim Topal, *China Desk Coordinator & Marketing Manager*

# Our 2020 Performance for Strategic Priorities and Insights

## Generating Sustainable and Responsible Revenue



Our focal area "Generating Responsible and Sustainable Revenue" has five main components:

### 1. Development Instead of Growth

As Mazars Denge, we know very well that unlimited growth is not possible in a world with certain limits. That is why we are an enterprise focused on improvement/development rather than growth.

The definition of sustainability we adopt aims to transform the consumption-based economic growth model accumulating the "interest" in a single center into a model that "mainstreams" sustainable benefit and that is also benefited by our stakeholders, nature and society all together. This directly depends on balancing the economic return with social and environmental impact within a corporate setting.

### 2. Ethics

Our understanding of ethics as a corporation combines the multi-benefit utility theory, or, in other words, utilitarian ethics with care ethics. Examples of this approach forming the basis of our ethical approach can be listed as being sensitive to client or employee transfers by considering our competitors as stakeholders, avoiding practices that will harm the sector in pricing policies, making available the technical knowledge of Mazars Denge to the use of the whole sector through various collaborations such as CAP software and not bidding for the tenders of the projects believed to cause environmental harm in spite of promising lucrative economic return.

### 3. Respect for the Local

We do not accept the assumption that the desire for growth fueled by globalization is much more important than the preservation of local qualities. Through the geographical development policy that we have introduced to this end, we expect our

regional offices to embrace fundamental values such as people, quality, trust, client focus and technical excellence.

### 4. Transition from the Monetary Measurement System to A Sustainable Measurement System

We believe that businesses have very important social and environmental impacts going beyond the values measured with money. While determining our key performance indicators for responsible revenue at Mazars Denge, we attach importance to parameters such as the ratio of pro bono service hours to total available time, social responsibility hours per person and carbon emissions per person in addition to financial indicators such as turnover, profitability and accounts receivable turnover.

### 5. Employee Rights

The "people first" principle we adopt as Mazars Denge points to a responsibility beyond the execution of employee rights in line with the Working Conditions clause mentioned in the Global Compact and within the framework of the rules stipulated by law.

Our responsibility covers many examples such as increasing the number of female managers, ensuring work-life balance, contributing to the development of employees not only professionally, but also culturally, showing respect for all kinds of diversity and differences, including LGBTQI individuals, within the company, expanding representation in managerial decisions and creating an environment dominated by freedom of expression.

# Our 2020 Performance for Strategic Priorities and Insights

## Sustainable Development



### Reducing negative environmental impact

In our entire service cycle, we take care to carry out our activities by considering not only our environmental impacts but also those of our clients and suppliers.

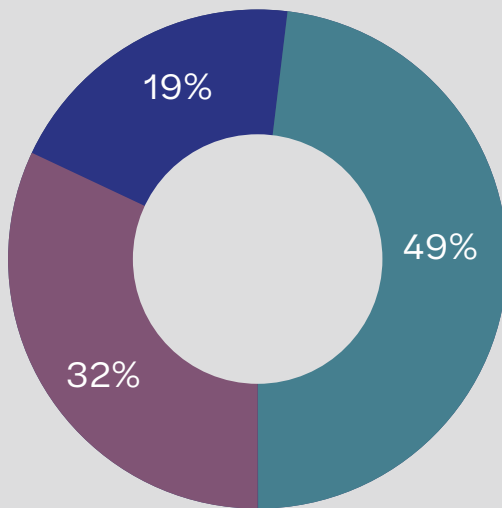
Emissions (tCO <sub>2</sub> equivalent)	Head Office				All Offices			
	2017	2018	2019	2020	2017*	2018*	2019*	2020*
Scope 1 (Direct)	116.70	128.76	124.57	117.53	174.25	144.76	160.05	207.08
Scope 2 (Indirectly out of energy)	237.00	252.09	281.36	74.98	335.14	347.85	281.70	104.60
Scope 3 (Indirectly out of other sources)**	200.12	193.16	177.36	44.72	232.65	213.68	207.68	44.94
<b>Total tCO<sub>2</sub></b>	<b>553.82</b>	<b>574.01</b>	<b>583.29</b>	<b>237.23</b>	<b>742.04</b>	<b>706.29</b>	<b>649.43</b>	<b>356.62</b>
Total Scope 1 & Scope 2 Greenhouse Gas Emissions per employee (tCO <sub>2</sub> e/person)	1.44	1.42	1.51	0.69	1.60	1.40	1.25	0.82
Total Scope 1 per employee Greenhouse Gas Emissions(tCO <sub>2</sub> e/person)	0.48	0.48	0.46	0.42	0.55	0.41	0.45	0.54
Total Scope 2 per employee Greenhouse Gas Emissions(tCO <sub>2</sub> e/person)	0.97	0.94	1.05	0.27	1.05	0.99	0.80	0.27

The rise in total Scope 1 emissions for all offices in 2020 results from the inclusion of the emissions of Gaziantep and Bursa offices within this year's calculations. Introducing our data management system the infrastructure of which was prepared for carbon measurement in previous years also in these offices allowed us to conduct a more comprehensive measurement.

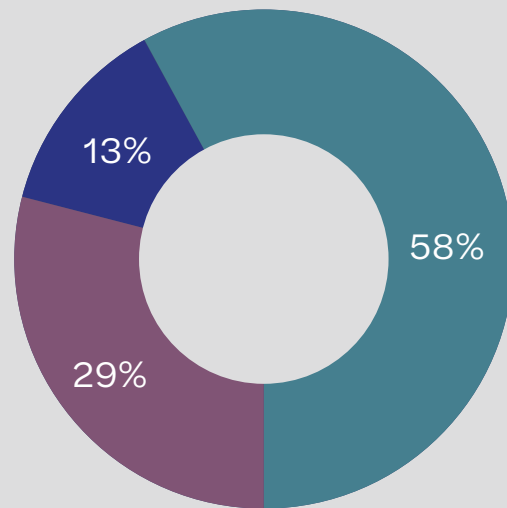
Inclusion of leased and private vehicles, which were previously listed under Scope 3, under Scope 1 is another reason for the increase in Scope 1 emissions.

Reason for the considerable reduction in Scope 2 and Scope 3 emissions in 2020 is attributable to the introduction of the remote working model due to the Covid-19 pandemic.

**Mazars Denge  
Greenhouse Gas Emissions  
Head Office**



**Mazars Denge  
Greenhouse Gas Emissions  
All Offices**



Scope1: Fuel and Natural Gas  
Scope2: Electricity Consumption  
Scope3: Travels (Flights)

**Scope 1 - Direct Emissions:** Emissions arising from greenhouse gas emission sources that an organization owns and can directly control. Our Scope 1 calculations include greenhouse gas emissions arising from natural gas consumption, company vehicles, leased and private vehicles.

**Scope 2 - Indirect Emissions From Energy:** Emissions that occur during the generation of electricity, heat or steam that an organization procures from external sources. Our Scope 2 calculations include emissions arising from procured electricity.

**Scope 3 - Other Indirect Emissions:** These are greenhouse gas emissions that an organization procures from external sources apart from energy and cannot directly control. These emissions are the emissions that arise from outsourced activities and arise at the source. Our Scope-3 calculations include emissions from personnel taxi, bus, plane trips for business purposes, water consumption and paper consumption.

Note: 2017, 2018, 2019 and 2020 columns indicate the greenhouse gas emission figures for Mazars Denge Istanbul office (head office). 2017\*, 2018\* and 2019\* column figures represent Mazars Denge Istanbul (head office), Ankara, Izmir and Denizli offices. Due to the inclusion of Gaziantep and Bursa offices in addition to these offices in 2020, 2020\* column represents Mazars Denge Istanbul (head office), Ankara, Izmir, Denizli, Gaziantep and Bursa offices.

\*\*Apart from flights; bus, ship and taxi calculations were also included in Scope 3 - Travels calculations in 2018 and 2019. In 2019, the newly-introduced Expense Management System included leased or private vehicles in the scope of travels in addition to these items. In 2020, leased or private vehicles were removed from Scope 3 and included in Scope 1. In 2020, water consumption and waste (paper-metal-glass) items were also included in Scope 3.



Environmental Indicators	Head Office				All Offices			
	2018	2019	2020	Ratio of change** (%)	2018*	2019*	2020*	Ratio of change** (%)
<b>Electricity consumption (kWh)</b>	253,139.37	282,536.62	128,763.00	-0.54	349,298.37	317,832.04	179,597.00	-0.43
<i>Electricity consumption / number of people (kWh)</i>	944.55	1,054.24	463.18	-0.56	995.15	902.93	470.15	-0.48
<b>Natural gas consumption (kWh)</b>	90,344.00	75,153.00	110,011.00	+0.46	95,696.00	115,891.52	426,240.00	+2.68
<i>Natural gas consumption / number of people (kWh)</i>	337.10	280.42	395.72	+ 0.41	272.64	329.24	1,115.81	+2.39
<b>Total Energy Consumption (kWh)</b>	<b>343,483.37</b>	<b>357,689.62</b>	<b>238,774.00</b>	<b>-0.33</b>	<b>444,994.37</b>	<b>433,723.56</b>	<b>605,837.00</b>	<b>+0.40</b>
<i>Total Energy Consumption / number of people (kWh)</i>	1,235.55	1,286.65	858.90	-0.33	1,164.91	1,135.40	1,585.96	+0.40
<b>Paper consumption (tons)***</b>	7.4	6.8	4.2	-0.38	12.40	6.8	5.1	-0.25
<i>Paper consumption per employee / number of people (tonnes)</i>	0.028	0.025	0.015	-0.40	0.035	0.025	0.013	-0.48
<b>Waste Management</b>								
<i>Waste (tonnes)</i>	14.00	15.45	6.43	-0.58	14.00	15.45	7.33	- 0.53
<i>Recycled waste (tonnes)***</i>	7.75	9	3.40	-0.62	7.75	9	4.30	- 0.52
<b>Water consumption (m³)</b>	1,305.70	1,687.52	719.05	-0.57	2,828.77	2,199.31	1,279.49	-0.42
<i>Potable water (m³)</i>	1,268.00	1,644.72	706.00	-0.57	2,787.00	2,156.51	1,198.92	-0.44
<i>Potable water / number of people (m³)</i>	4.73	6.14	2.54	-0.59	7.94	6.13	3.14	-0.49
<i>Drinking water (m³)</i>	37.70	42.80	13.05	-0.70	41.77	42.80	80.57	+0.88
<i>Drinking water / number of people (m³)</i>	0.14	0.16	0.05	-0.71	0.12	0.16	0.21	+0.32

Note: 2017, 2018, 2019 and 2020 columns indicate the greenhouse gas emission figures for Mazars Denge Istanbul office (head office). 2017\*, 2018\* and 2019\* column figures represent Mazars Denge Istanbul (head office), Ankara, Izmir and Denizli offices. Due to the inclusion of Gaziantep and Bursa offices in addition to these offices in 2020, 2020\* column

represents Mazars Denge Istanbul (head office), Ankara, Izmir, Denizli, Gaziantep and Bursa offices. \*\*Represents the change between 2019 and 2020. \*\*\*Paper consumption and waste management calculations for 2019 represent the consumption figures of the head office while those figures for 2020 represent the consumption figures for all branches.

## Supporting Societal Development

As a signatory to the Global Compact, we are aware of our responsibility towards stakeholders in all of our operations. We consider our society as a stakeholder just like our employees and clients.

We offer pro bono or low-priced audit and consulting services to non-governmental organizations for supporting societal development.

### Community

- Ashoka
- Association of Peace and Solidarity Ambassadors
- Hrant Dink Foundation
- Community Volunteers Foundation - We Run For A Reason Project
- Amnesty International
- Young Guru Academy (YGA) - Dream Partners

### Culture

- Actual Archeology Magazine
- Hasköy Turkish Karaite Jewish Foundation
- Cultural Awareness Foundation-KBGV

### Environment

- TEMA Foundation
- Çekül Foundation

(Apart from these associations and foundations, low-priced accounting and independent audit services are also offered to various associations and foundations.)

In 2020, we increased our sapling donations by

**47.6%**

## Cultural Sustainability

We believe that cultural development and awareness of cultural sustainability constitute the usual needs of people in all extraordinary conditions, including pandemics.

In order to ensure that our employees could meet their cultural needs from home, we have strengthened our collaboration with the Cultural Awareness Foundation and organized online cultural seminars on 20 different topics. 78 Mazars Denge employees attended these seminars, 6 different seminars were attended by a person in average and a total of 466 registrations were created.

We continued to support the Sustainable Life Movie Festival in order to contribute to the development of sustainability awareness of our stakeholders.

## Social Responsibility Projects

Volunteerism and support for non-governmental organizations underpin our sustainability strategy within the framework of social responsibility awareness. We encourage our employees to take part in social responsibility projects by granting them social responsibility leave every year. The total time devoted by our CEO Dr. İzel Levi Coşkun was over 250 hours while nearly 1,493 hours were dedicated to pro-bono service throughout Mazars Denge and our employees devoted over 350 hours of their personal time to social responsibility projects.

Our pro bono services increased by

**15%**  
year-on-year.

### Pro Bono Hours

**1,300** **1,493**  
2019 2020

## Collaborations with Academic and Education Institutions

- As a part-time lecturer, Gökçen Müftüoğlu Çapa lectured on Financial Literacy for Directors and Candidate Directors to the Business Administration Master's students at Bahçeşehir University
- As a guest lecturer for the course "Marketing", Barlas Hünelalp lectured on B2B Marketing Communication in TED University.
- Preparations were initiated with the German Business Administration Department of Marmara University for a 13-week long Independent Audit sector course titled "All-Around Business Administration and Audit" with the initiative of our Senior Auditor Dilek Güloğlu and under the sponsorship of our Independent Audit Services Partners Aziz Murat Demirtaş and Necip Çakmakoglu.

## Disseminating the Sustainability Perspective

As Mazars Denge, we consider the dissemination of the sustainability perspective as a priority. Our CEO Dr. İzel Levi Coşkun conveys how to apply this perspective to our lives with our stakeholders during his TV programs, articles and speeches as the Sustainable Ambassador. In this context, he delivered speeches on sustainability at the following institutions in 2020:

**TAIDER (Family Enterprises Association)** - Dr. İzel Levi Coşkun and the Founding Partner of Sun Textiles Günseli Ünlütürk answered the following questions and shared their experiences at TAIDER's event titled "Compliance with the New Era with Sustainability": Is the process we are going through a threat requiring fight against an enemy to be destroyed? Or is it an opportunity for us to drive a collective transformation? How can we transform our companies with a corporate sustainability perspective? Where should we start and what should be our roadmap as the directors of companies?

**ERTA (Integrated Reporting Turkey)** - Dr. İzel Levi Coşkun and the Head of ACCA Turkey and Developing Countries Filiz Demiröz attended the webinar "Integrated Reporting in the Profession of Accounting and Audit & Development of Competences in Integrated Reporting" organized by ERTA Turkey and moderated by the Chairperson of ERTA Turkey's Executive Board Prof. Güler Aras and talked about their integrated reporting journey.

**Bloomberg Businessweek** - Dr. İzel Levi Coşkun, Chairperson of the Center for Finance, Governance and Sustainability (CFGs) / the Chairperson of ERTA Turkey's Executive Board Prof. Güler Aras and S360 CEO / B-Corp Turkey Leader Kerem Okumuş attended the panel "Sustainability and New Era" moderated by the Editor-in-Chief of HBR Turkey during the event "Leading the Future", the 15th Year Special Event of Bloomberg Businessweek to share their experiences.

**EGIAD (Aegean Young Business Association)** - Youth Commission Event; Dr. İzel Levi Coşkun attended the webinar titled "Sustainability, Feasibility and Covid-19 Process" to share his experiences..

**TUSIAD (Turkish Industry & Business Association)** Dr. İzel Levi Coşkun attended the webinar "How Can Entrepreneurs and Enterprises Render the World More Sustainable Following the Covid-19?" held by TUSIAD to answer the following questions: Why is sustainable development important for both the business world and entrepreneurs? How have the sustainability agendas of institutions been affected by the pandemic process? What kind of lessons has the business world taken from this process? To what extent is sustainability integrated into the agenda of entrepreneurs in Turkey? How have enterprise - company collaborations been affected during the pandemic period? What kind of opportunities and risks do the pandemic process and post-pandemic process hold for both traditional businesses and enterprises?





# Corporate Governance

**As a requirement and result of our sustainability strategy, we rely on “Corporate Governance Principles” encompassing fair management, transparency, accountability and responsibility components via our way of doing business responsibly.**

In line with Mazars' International TRANSPARENCY Principles, we have our accounts audited by Crowe Horwath, an independent audit company, since 2009. The results are consolidated and published on Mazars' website.

We take care to ensure stakeholder engagement in the decision-making processes regarding our strategies on issues that are important enough to affect our organizational performance and that concern sustainable development, and to be in an ACCOUNTABLE by offering reliable information to all our stakeholders. We are aware that our only goal is not to generate income and that we must fulfill our social and environmental RESPONSIBILITIES while creating value for our stakeholders.

We expect the company management to adopt the principle of equality in all its activities and especially those at the level of management to act in line with the principles of FAIR MANAGEMENT without prioritizing their personal interests over those of the company and taking subjective and arbitrary decisions.

## **Our Corporate Governance Structure**

Our company partners constitute the management staff as partners leading their teams, departments or offices due to their positions. In this respect, the partners have "Managerial" and "Functional" responsibilities based on their terms of reference. Our partners can be members of both the Board of Directors and the Executive Board at the same time.

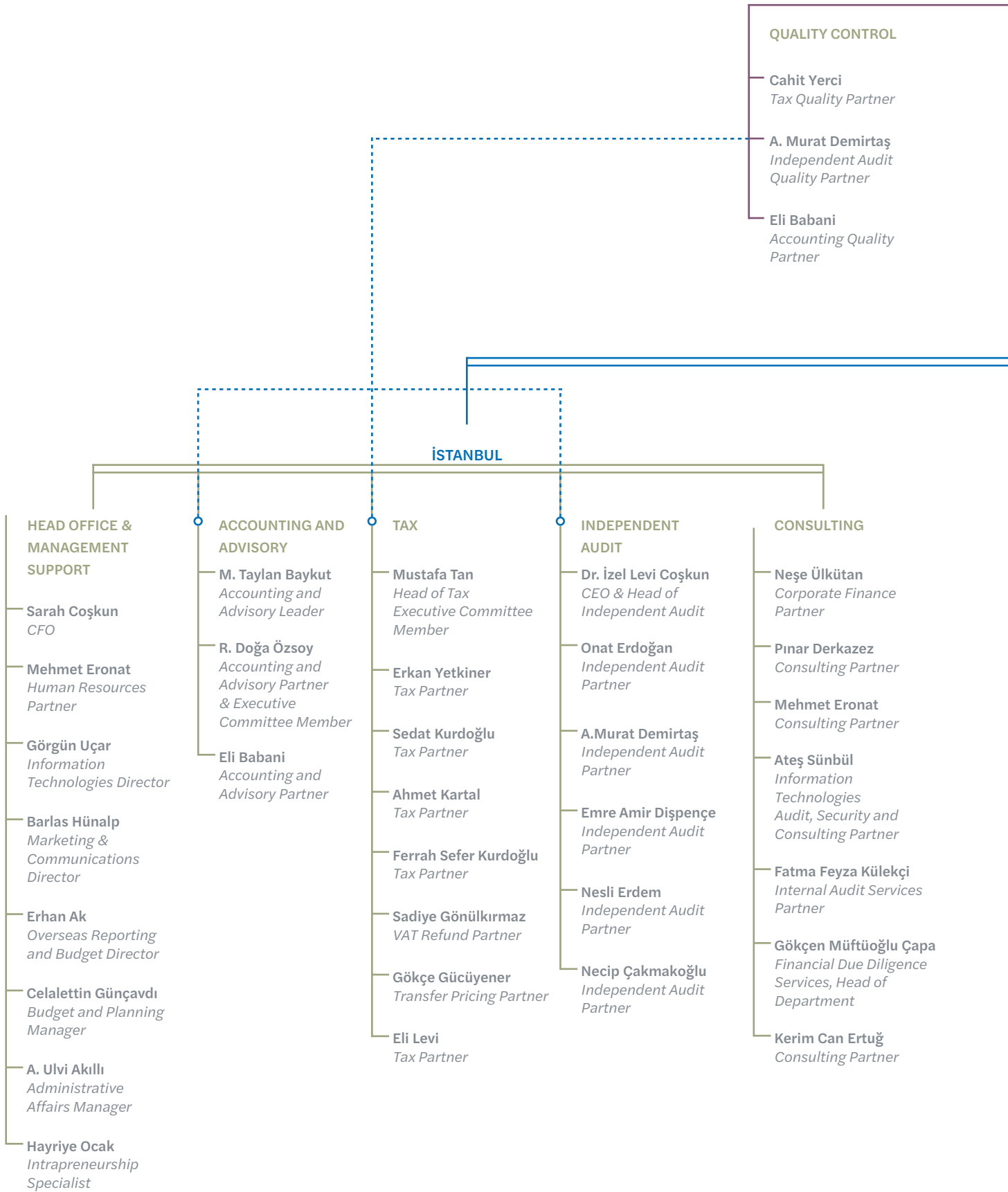
The Board of Directors and the Executive Board are involved in our two-level senior management system. Our Board of Directors has a total of 6 members including 3 from Istanbul, 2 from Ankara and 1 from Bursa. Our Executive Board has a total of 6 members including 3 from Istanbul and 1 partner from Bursa, Ankara and Izmir. There is 1 female member in the Executive Board.

**“The most difficult part of 2020 for all of us has been staying away from activities that we used to do with our beloved ones and which we do not realize how precious they were. I can say that I especially miss going to basketball games, playing ice hockey, gathering around a table with my friends and chatting for hours, laughing and having fun together.”**

**— Mehmet Eronat, *Human Resources and Management Consulting Partner***

# Corporate Governance

## Organizational Chart



## BOARD OF DIRECTORS

Leon Aslan Coşkun  
Chairman

Dr. İzel Levi Coşkun  
CEO & Sustainability  
Ambassador  
Chief Executive Officer

R. Uğur Kaylan  
Tax Partner

Şevki Boran  
Tax Partner

M. Taylan Baykut  
Accounting and  
Advisory Partner

A. Şahin Savcı  
Tax Partner

### ANKARA

R. Uğur Kaylan  
Tax Partner

A. Şahin Savcı  
Tax Partner

Taner Altan  
Tax Partner  
Executive  
Committee  
Member

Emre Yayla  
Tax Partner

### BURSA

Şevki Boran  
Tax Partner

Nazan Boran  
Tax Partner  
Executive  
Committee  
Member

Emre A. Dişpençe  
Independent Audit  
Partner

Osman Bacanlı  
Tax Partner

### DENİZLİ

Mehmet Erdoğan  
Accounting and  
Advisory Partner

### GAZİANTEP

Mehmet Kalkınoğlu  
Tax Partner

### İZMİR

Anıl Taşkoyan  
Accounting and  
Advisory Partner  
& Executive  
Committee  
Member

## Our Risk Management Strategy

Mazars Denge Corporate Governance and IT Compliance function's main goals are as follows:

- To be prepared in advance against potential internal and external risks
- To ensure the effectiveness and efficiency of operations
- To ensure the reliability of the reporting infrastructure
- To align corporate procedures with laws and regulations such as the Law on the Protection of Personal Data and GDPR.

Structuring the control environment around these principles, our company pays attention to using the highest ethics and quality standards. Accordingly, risk maps were prepared for all our units and processes were redefined. As an company adopting innovative methods for creating and monitoring risk management action plans, we constantly review our strategies for mitigating risks and constantly strive to improve and develop them. We also use the outputs of the risk assessment process as an important input into identifying and executing internal control activities within the company.

Cognitive risks posed by the remote working dictated by the pandemic as well as risks associated with the health of our employees and environment have turned into the top priority for our company and we coped with these risks through the Crisis Desk.

## Sustainability Management

In 2018 when we made a transition to action on sustainability, a table was developed for the convenience of all our stakeholders including our employees in particular. The table lists the expected and conventional way of doing business on the left column and their counterparts from a corporate sustainability perspective on the right column:

### Sense of Responsibility

Performance of businesses in connection with the communities in which they operate as well as their environmental impacts play a critical role in the

effective continuation of their operations and the evaluation of their overall performance.

This requires the coexistence of healthy ecosystems, social equality and corporate governance as a prerequisite for corporate sustainability.

Ethical approach within the Audit Sector broadens the bounds of responsibility down to an individual within the society. In other words, it is believed that the slightest mistake in the returns submitted to tax offices, full certification reports and independent audits may come to mean "misleading the common citizen at the extreme end of the chain of responsibility". This clearly demonstrates the deep sense of responsibility required by the profession. Similarly, this social responsibility approach reveals that all stakeholders starting from employees to the society, our clients, competitors, public institutions, professional and other chambers, the state itself, education institutions, non-governmental organizations etc. and, ultimately, individuals are in constant interaction with each other.

This interaction requires acting with a shared sense of responsibility, engagement and effective communication for all units within Mazars Denge irrespective of department and seniority. In line with the ISO 26000 Social Responsibility Standard, Mazars Denge pays special attention to:

Generally Accepted - Continuity	Corporate Sustainability
Short-term Thinking	Long-term Thinking
Profit Pressure	Social / Environmental / Economic Balance Pressure
Growth	Development / Improvement
Fiscal Measurement	Fiscal + Other Parameters
Competition With Rivals	Competitors are also stakeholders!
Interests of the Organization Alone	Interests of the System
Consumption	Saving + Derivation
Global	Local
Destructive Language	Language of Peace
Horizontal Thinking	Integrated Thinking



“It was a time when our clients needed us more than ever. Perhaps the reason we got through this period was that we communicated and shared more than we had experienced in the past and had not realized how much we needed each other. I believe that we will proceed with our activities through this awareness. We got into digital transformation so quickly that we are currently in an inevitable transformation. During this period we stayed at home, we questioned ourselves, our jobs and our future. I sincerely believed that we would come out of this crisis very strongly and properly with these beautiful people in this beautiful company. When I look back, I see that I am right. I thank all my colleagues for this achievement.”

— Mustafa Tan, CPA, Tax Services Leader

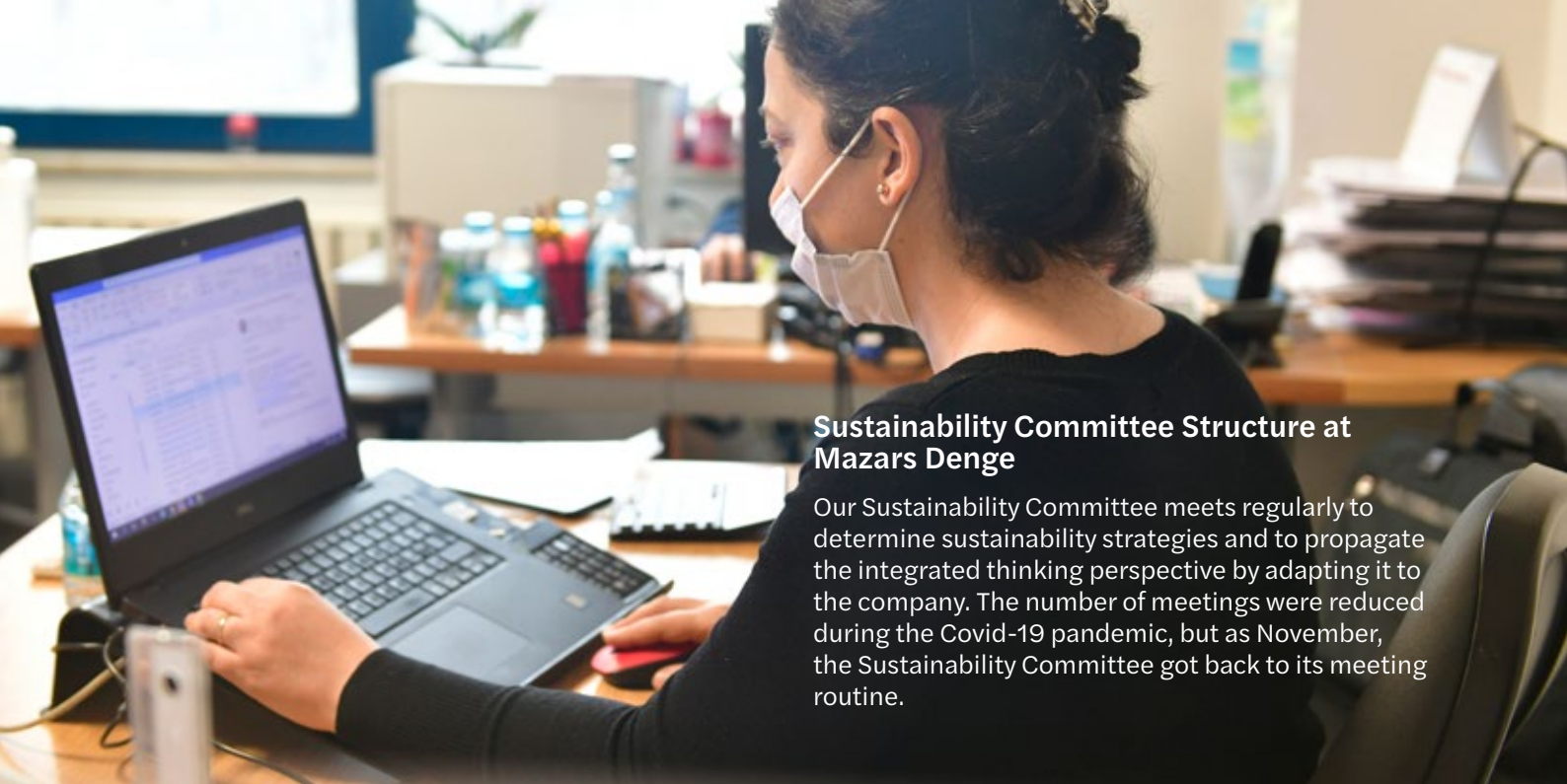
“I missed my long bike tours, scuba dives and working closely with my clients. During the pandemic, my company did everything in its power to protect me and the team. The management's speed of reaction to emergencies and the decisions rendered thereby considering "people" were very appropriate. They never left us alone during our worst days. It was very nice to have felt the support of everyone from the management to the support teams.”

— Ateş Sünbül, Information Technologies Audit, Security and Consulting Partner

- Understanding the concept of social responsibility,
- Exploring the relationship between the characteristics of our company and social responsibility,
- Volunteering to engage in social responsibility initiatives,
- Building confidence in social responsibility,
- Developing our company's actions and practices in the context of social responsibility,
- Developing an accurate and effective communication infrastructure of social responsibility within and outside the company.

We grant 2-day administrative leave to all our employees for engagement in social responsibility projects, which can be indicated as an example of our sensitivity on this subject.

As Mazars Denge, we are well aware of the distinction between "responsible income" and "problematic income" and we consider it as a social and professional duty to leave a profession enriched with this ethical approach to future generations.



## Sustainability Committee Structure at Mazars Denge

Our Sustainability Committee meets regularly to determine sustainability strategies and to propagate the integrated thinking perspective by adapting it to the company. The number of meetings were reduced during the Covid-19 pandemic, but as November, the Sustainability Committee got back to its meeting routine.

Dr. İzel Levi Coşkun	CEO	Sustainability Ambassador
Mehmet Eronat	Human Resources and Management Consulting Partner	Human Resources Policies Representative
Görgün Uçar	IT Director	IT Representative
Rahşan Yasdıman	Accounting and Advisory Director	Accounting and Advisory Services Representative
Barlas Hünalp	Marketing & Communications Director	Sustainable Communication Representative
Halil İbrahim Topal	China Desk Coordinator	Sustainable Communication Representative
Seda Korkut	Human Resources Director	Human Resources Representative
Laure Chevalier	French Desk Coordinator & CRM Manager	Sustainable Communication Representative
Aslıhan Pala	Marketing & Business Development Specialist	Sustainable Communication Representative
Hayriye Ocak	Intrapreneurship Specialist	Intrapreneurship Representative



**“I missed going to the theater. I already knew that the taste of watching live performances on the stage was quite different, but with the Covid-19 pandemic, this feeling deepened as I could not go to the theater. I really miss working in the same environment and interacting with my team.”**

— Merve Iğdır, *Human Resources Department, Specialist*

## Ethical Principles

Mazars Denge has established policies and procedures offering reasonable assurance regarding the compliance of its legal entity and employees with relevant ethical provisions. According to the policies and procedures in question, our fundamental ethical principles are as follows:

<b>Integrity</b>	<b>Impartiality</b>
<b>Professional competence and diligence</b>	<b>Confidentiality</b>
<b>Professional conduct</b>	

Other policies and procedures of Mazars Denge on professional ethics are available in “MQAM- 2.1 Independence and Objectivity” and “Mazars Risk Management & Quality Manual-Ethics” as well as the Tax Services Quality Handbook and Code of Ethics sections of “Mazars Code of Conduct for Objectivity and Independence” (CCOI) harmonized with the “Code of Ethics for Independent Auditors” published by the International Ethics Standards Board of Accountants (IESBA) affiliated to the International Federation of Accountants (IFAC).

## Quality Control System

Quality Control Standard I (QCS I) on Quality Control

for Independent Audit Companies and Independent Auditors for the Audit of Financial Statements and Other Control Assignments issued by the Turkish Public Oversight and Accounting and Auditing Standards Authority regulates the responsibilities of audit companies regarding their quality control systems on the independent audit and review of financial statements, other assurance audits and the relevant services. Aims of QCS I are:

- To ensure the company and employees fulfill professional standards and other applicable legal and regulatory provisions and
- To establish and maintain a quality control system offering reasonable assurance that the reports drawn up by the company accurately represent the existing circumstances.

Our quality control system contains policies and procedures prepared in consideration of the following:

- Responsibilities of leadership on quality within the audit company
- Relevant ethical provisions
- Acceptance and maintenance of client relations and audit contracts
- Human resources
- Execution of audits
- Monitoring

As a member of Mazars Group, we are obliged to comply with the provisions of “Mazars Quality Assurance Manual” (“MQAM”) harmonized with QCS I.

## Appendices

### Appendix 1: UN Global Compact Principles and Mazars Denge

As a signatory to the UN Global Compact in connection with the Sustainable Development Goals within the framework of our sustainability strategy, we prioritize the principles of "elimination of discrimination in respect of employment and occupation", *"precautionary approach towards environmental challenges"*, *"initiatives to promote greater environmental responsibility"* and *"working against corruption in all its forms including extortion and bribery"* in all our operations as well as our internal practices.

#### Principle 1

Businesses should support and respect the protection of internationally proclaimed human rights.

#### Principle 2

Businesses should make sure that they are not complicit in human rights abuses.

#### Principle 3

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

#### Principle 4

Businesses should uphold the elimination of forced or compulsory labor.

#### Principle 5

Businesses should uphold the elimination of forced or compulsory labor.

#### Principle 6

Businesses should uphold the elimination of discrimination in respect of employment and occupation.

#### Principle 7

Businesses should support a precautionary approach to environmental challenges.

#### Principle 8

Businesses should undertake initiatives to promote greater environmental responsibility.

#### Principle 9

Businesses should encourage the development and diffusion of environmentally friendly technologies.

#### Principle 10

Businesses should work against corruption in all its forms, including extortion and bribery.



# Appendices

## Appendix 2:

### Our Supplier Criteria

#### Environmental:

- Water and energy consumption
- Carbon footprint
- Waste (paper, plastic, glass, technological waste sorting) management
- Environmental impact of products and services
- Prudent use of materials

#### Social:

- Implementation of all our discrimination principles by our suppliers
- Ethics in business relations
- Support for employee development and competence
- Contributing to campaigns and projects with public benefit
- Creating a healthy and safe working environment for their employees
- Presence of an occupational health and safety expert
- Presence of a workplace doctor
- Implementing risk analysis and actions in the business environment
- Presence of an occupational health and safety board and the attendance of employee representatives in this board
- Number of occupational accidents and diseases

#### Legal practices

- Regular payment of employees' wages, payroll checks,
- No employee working under minimum wage,
- Regular use of annual leaves,
- Timely notification of recruitments and terminations to the relevant authorities,
- Payment of severance and notice pays,
- Control of employment contracts,
- Control of maternity leaves and breastfeeding breaks,
- No child or forced labor
- Freedom of association and right to collective bargaining



## Appendices

### Appendix 3: Our Human Resources Performance Indicators and 2021 Targets

#### Average Mazars Denge Experience By Regions and Gender (Year)

Region / Gender	Women			Men			Total		
	Persons	Total Experience (Year)	Avg. Experience (Year)	Persons	Total Experience (Year)	Avg. Experience (Year)	Persons	Total Experience (Year)	Ort. Kıdem (Yıl)
İstanbul	142	599	4.22	136	822	6.05	278	1,421	5.11
Ankara	32	128	4.00	40	175	4.38	72	303	4.21
Bursa	11	47	4.31	5	23	4.53	16	70	4.38
Gaziantep	1	0	0.30	3	13	4.33	4	13	3.33
Denizli	1	3	3.00	5	32	6.40	6	35	5.83
İzmir	3	8	2.68	3	15	5.01	6	23	3.85
<b>Total</b>	<b>190</b>	<b>786</b>	<b>4.13</b>	<b>192</b>	<b>1,080</b>	<b>5.63</b>	<b>382</b>	<b>1,866</b>	<b>4.88</b>

#### Average Professional Experience By Regions and Gender (Year)

Region / Gender	Women			Men			Total		
	Persons	Total Experience (Year)	Avg. Experience (Year)	Persons	Total Experience (Year)	Avg. Experience (Year)	Persons	Total Experience (Year)	Avg. Experience (Year)
İstanbul	142	1,407	9.91	136	1,949	14.33	278	3,356	12.07
Ankara	32	283	8.84	40	488	12.20	72	771	10.71
Bursa	11	132	12.00	5	98	19.60	16	230	14.38
Gaziantep	1	0	0.30	3	43	14.33	4	43	10.83
Denizli	1	3	3.00	5	147	29.40	6	150	25.00
İzmir	3	19	6.33	3	62	20.67	6	81	13.50
<b>Total</b>	<b>190</b>	<b>1,844</b>	<b>9.71</b>	<b>192</b>	<b>2,787</b>	<b>14.52</b>	<b>382</b>	<b>4,631</b>	<b>12.12</b>

#### Type of Employment and Employment Contract By Gender

	Type of Employment	Men	Women	Total	Grand Total
Type of Employment	Full-Time	189	188	377	382
	Part-Time	3	2	5	
Employment Contract	Permanent	192	190	382	382
	Temporary	0	0	0	

### Number of Employees Who Took Maternity-Paternity Leave In 2020

Number of female employees who took maternity leave	2
Number of male employees who took paternity leave	8

### Number of Employees Who Returned to Work After Maternity Leave

Number of female employees who took maternity leave and returned to work during the reporting period	1
Number of female employees who took maternity leave in the previous reporting period and returned to work in this reporting period	3
Number of female employees currently on maternity leave	1
Number of employees who resigned within 12 months after returning from maternity leave	0

### Breakdown of All Employees Recruited And Terminated During 2020 by Age

Age	18-30	31-50	+51	Total
Recruited	73	7	0	80
Terminated	55	12	1	68

### Breakdown of All Employees Recruited And Terminated During 2020 By Gender

Gender	Women	Men	Total
Recruited	42	38	80
Terminated	19	49	68

### Breakdown of Voluntary and Involuntary Terminations

	Women	Men	Total
Voluntary termination	19	48	67
Involuntary* termination	0	1	1

\*1 person left the company due to the expiry of the fixed-term employment contract.

“It was nice for us in 2020 as a company and as a team. I hope the future will be smooth as well and we will get through this period without any loss. I would like to thank our employees for their work, effort and support.”

— Taylan Baykut,

*Head of the Accounting and Advisory Services Department, Tax Restructuring Partner*

“The activity I missed the most in 2020 was camping. While I was planning to go to the camp to rest and sleep for hours, I even missed starting the day very early with the sun hitting the tent in the morning. While it was difficult for me to buy bread, now I want to see and buy something in the market. In fact, the things we reproached were the limits of our freedom.”

— Hayriye Ocak, *Intrapreneurship Department, Director*

### Mazars Denge Human Resources Key Performance Indicators and 2021 Targets

HR Functions / Priority Areas	Key Performance Indicators	2020 Targets	2020 Results	2021 Targets
Corporate Training and Development	Increasing total training hours per person • Increasing Technical/ Professional, On-the-Job Training hours • Increasing competence/personal development training hours	Increasing average training hours per person to 40 hours • 25 hours of technical, professional training per person • 15 hours of competence/personal development training per person	22.08 hours of average training per person • 14.95 hours of technical, professional training per person • 7.13 hours of competence/personal development training per person	Increasing average training hours per person to 35 hours • 25 hours of technical, professional training per person • 10 hours of competence/personal development training per person
	Overall employee satisfaction regarding training	A minimum overall employee satisfaction ratio of 80%	183 people responded to the survey. The satisfaction rate was recorded as 84.7%.	A minimum overall employee satisfaction ratio of 80%
	Increasing information on corporate sustainability	At least 1 hour of Corporate Sustainability training per person	This target could not be achieved in 2020.	At least 20 people attending the Corporate Sustainability Training Program in 2021 and receiving their certificates
	Attendance in seminars, trips and film screenings on culture, human rights, diversity etc. aiming to raise awareness and improve knowledge	At least 10 seminars, trips and film screenings within the company	This target could not be achieved in 2020 due to the pandemic.	Organizing an Online NGO Fair
	Development of in-house trainers	At least 40 hours of competence training per person for in-house trainers through internal and external training	23.52 hours of in-house trainer training by considering Professional/ Technical Competence and Behavioral Competence training	At least 35 hours of competence training per person for in-house trainers through internal and external training



	Broader use of Mazars E-Learning Platform	At least 200 persons trained	182 people attended E-learning.	At least 200 persons trained
	B-Corp			Scoring at least 20 points of the criteria concerning HR within the evaluation study to be performed under B-Corp activities.
	More time dedicated to social responsibility	At least 1 day of social responsibility per person for 2020	In 2020, Mazars Denge CEO allocated 252.5 hours to Social Responsibility activities. This period has exceeded 600 hours when the efforts of middle and top-level executives are added. Pro Bono service hours has exceeded 1,490 hours. Social responsibility hours per person stands at 1.59.	At least 2 hours of social responsibility per person for 2021. We will also proceed with the practice of granting 2-day paid social responsibility leave to our employees that would like to allocate more time to their social responsibility projects.
Performance Management	Improvement of our performance system by adding measurement criteria suitable for our sustainability model	Introducing the Joint Performance Evaluation system	In 2020, "Joint Performance Evaluation System" was introduced for the Independent Audit business family and, accordingly, goal cards were created.	In 2021, we aim to mainstream the Joint Performance Evaluation System to all business families apart from the Independent Audit business family and improve the performance evaluation system for all employees.
HR Systems	Updating the HR infrastructure to enable better responsiveness to department processes	Transferring the HR system infrastructure (IT) to a different software program	Efforts for transition to the Etiya ERP system have been initiated. (Time Management, CRM, Annual Leave, Expense Management, HR Personal Processes)	We aim to complete transition to the Etiya ERP system and provide the ERP system with capabilities of responding to user requests concerning HR processes.
In-House Communication	Continuity of "We Hear You" practice, follow-up of the action plans to be implemented	Taking measures required for offering a healthy and safe working environment for employees	We have proceeded to implement the action plan encompassing remedial and regulatory measures in line with the evaluations performed in previous years. Due to the pandemic that broke out in 2020, the health of employees has been prioritized in addition to employee commitment and satisfaction. You can find the details of the actions taken in this direction at the end of the table.*	In 2021, we will continue to implement the measures taken in 2020 so as to ensure that our employees work in a healthy and safe environment depending on the course of the Covid-19 pandemic. If needed, new measures will also be implemented. In addition, activities will be initiated to design the new working order in a way suitable for working online and remotely.

	Kick off meetings for departments such as Independent Audit, Tax etc.	Holding annual general information meetings for Independent Audit, Tax and Consulting Departments.	<p><b>Accounting and Advisory Services Department</b> The meeting was organized on June 29, October 7 and December 30 (Current developments throughout the Covid-19 process and status of the department were shared).</p> <p><b>Independent Audit Department</b> The meeting was organized on April 10, April 27 (Information regarding the agenda, the impacts of the Covid-19 on stocktaking and latest developments) and on June 22. (Impacts of the Covid-19 on the Audit sector, the current working order of Mazars Global offices, policies for going back to the office at Mazars Denge and the comparison of Fortune 500 Global Situation and our local practices, quality Meetings, First Stocktaking following the Pandemic, New Achievements, Information on the Mass Recruitment Process &amp; Interim Period Performance Evaluation Process)</p> <p><b>Senior Management's Webinar Meetings:</b> Organized by the Senior Management for all employees (Istanbul Office) 5 times (The Covid-19 agenda and the measures taken by Mazars Denge were shared).</p>	Holding overall information meetings with Independent Audit, Accounting and Advisory, Tax and Consulting business families at least twice a year
	HR - Communication meetings with departments	During Covid-19 pandemic, HR Department held group meetings called 'Insight Meetings' with volunteer employees that wanted to attend the meetings so as to improve the working conditions further throughout the pandemic.	During Covid-19 pandemic, HR Department held group meetings called 'Insight Meetings' with volunteer employees that wanted to attend the meetings so as to improve the working conditions further throughout the pandemic. Organized 3 times on May 20, May 22 and June 2. We identified how to proceed with our remote working activities and our principles of restricted office use with our volunteer employees attending the meetings organized under insight activities. 14 people from different departments participated in the insight activities.	Holding Feedback meetings with Independent Audit, Accounting and Advisory, Tax and Consulting business families at least 3 times a year
Recruitment	Development of university collaborations	Collaboration with universities for at least 10 events	Our Human Resources and Management Consulting Partner Mehmet Eronat delivered a speech at the Career Festival'20 Event titled "Career at Home, Festival at Home" organized by the Faculty of Business Administration of Istanbul University on April 8.	Cooperation with universities will continue over online platforms as much as possible. Collaboration with universities for at least 5 events.

	Maintaining diversity	Aiming to increase the ratio of female employees to 50% while it is planned to qualitatively and quantitatively increase the effectiveness of our middle and top-level female executives	Ratio of our female employees stands at 49.74%.	We aim to increase the ratio of female employees to 50% while it is planned to qualitatively and quantitatively increase the effectiveness of our middle and top-level female executives.
	Average experience	We aim to raise average experience to 5 years.	Average experience stood at 4.88 in 2019.	We aim to raise average experience to at least 5 years.
Career Planning	Number of employees sent abroad through Move&mobility program under Mazars Global	Aiming to include at least 1 employee in Move&Mobility program per year	It could not be achieved due to the pandemic.	No target was set for 2021 due to the pandemic.

\* **1.** With the onset of the first case in Turkey, a crisis desk team composed of our senior management, the heads of departments as well as the directors of Human Resources, Marketing & Communications and IT Departments was created. The Crisis Desk continues to meet regularly 3 days a week to manage the process.

**2.** We ensured that the awareness of employees about the Covid-19 was raised through written and visual warnings on the disease in question.

**3.** The Emergency Action Plan was introduced through the decision of the Crisis Desk.

- The use of public transportation was prevented for employees who had to go to the office, and it was made compulsory for all employees to use taxis by covering the expenses of compulsory transportation.
- Health status of employees with symptoms was monitored by the Human Resources Department on a daily and regular basis.
- Physical meetings were not attended and traveling abroad was suspended.

**4.** WhatsApp groups were created within departments for a faster and more efficient communication.

**5.** Personal cargo acceptance was suspended.

**6.** Office work was restricted and approval of the manager and then the online reservation system were made compulsory for employees who had to go to the office.

**7.** In order to prevent any problem for our employees, the requirement of documents with wet signature was eliminated

regarding the expense management system and the whole process was carried out over the online platform.

**8.** Workplace doctor activities were transferred to the online platform.

**9.** Intensive self-help trainings were initiated.

**10.** Our entire office was regularly disinfected with the latest technology.

**11.** Online psychological consultancy services were offered.

**12.** Online sports lessons were offered.

**13.** Phone and internet support was granted in order to support our employees working at home to use phone and internet.

**14.** In line with the curfew restrictions, a special administrative leave practice was introduced so that parents could take their children out.

**15.** Checklist practice was put into use prior to the work to be carried out at a client's office, and risk assessments were initiated regarding the client to be served.

**16.** Protective kits containing products such as masks, gloves, disinfectants etc. were distributed to all employees.

**17.** Special agreements were signed with alternative health institutions and organizations in order to perform the fastest and most reliable tests in case of risks arising from the workplace.

**18.** In order to protect employee health, everything was performed online from computer delivery to paperwork processes, through the IT and HR Department, especially in new hires.

# Appendices

## Appendix 4: GRI Standards Index

GRI Standard	Disclosure	Sustainable Development Goals
<b>GRI 101: Comprehensive</b>		
<b>GRI 102: General Disclosure</b>		
<b>Corporate Profile</b>		
102-1	Corporate Profile, p: 12.	
102-2	Mazars Denge offers all its services in accordance with all national and international agreements to which it is a party. Mazars Denge fully complies with all regulations and voluntary rules on marketing communication including advertising, promotion and sponsorship. Our Services, p: 12	
102-3	Istanbul, Turkey	
102-4	Corporate Profile, p: 12.	
102-5	Corporate Profile, p: 12.	
102-6	Corporate Profile, p: 12.	
102-7	As of the end of the reporting period, Mazars Denge serves with 382 employees in 7 offices within a total of 6 provinces. Corporate Profile, p: 12; Our Services, p: 12	
102-8	Supporting Sustainable Employee Development and Employee Satisfaction, p: 35	8
102-9	Mazars Denge Supplier Criteria, p: 63	
102-10	No change in size, structure, ownership or supply chain took place during the reporting period.	
102-11	Within the framework of its sustainability strategy, Mazars Denge adopts the precautionary approach principle specified in the UN Global Compact, which it has signed in relation to the Sustainable Development Goals. As per its precautionary approach, Mazars Denge embraces policies and procedures set out in "MQAM- 2.1 Independence and Objectivity" and "Mazars Risk Management & Quality Manual-Ethics" as well as "Mazars Code of Conduct for Objectivity and Independence" (CCOI) harmonized with the "Code of Ethics for Independent Auditors" published by the International Ethics Standards Board of Accountants (IESBA) affiliated to the International Federation of Accountants (IFAC).	
102-12	Engagement of Our Stakeholders, p: 19	
102-13	Supporting Societal Development, p: 52	
<b>Strategy</b>		
102-14	Chairman's Message, p: 7; CEO / Sustainability Ambassador's Message, p: 9	
102-15	Chairman's Message, p: 7; CEO / Sustainability Ambassador's Message, p: 9	
<b>Ethics</b>		
102-16	Ethical Principles, p: 61	16
102-17	Ethical Principles, p: 61	16
<b>Governance</b>		
102-18	Generating Sustainable and Responsible Revenue, p: 48; Corporate Governance, p: 55	
102-19	Sustainability Management, p: 58	
102-20	Sustainability Management, p: 58	
102-21	Sustainability Management, p: 58	16
102-22	Supporting Sustainable Employee Development and Employee Satisfaction, p: 35	5 16
102-23	Generating Sustainable and Responsible Revenue, p: 48; Corporate Governance, p: 55	16



GRI Standard	Disclosure	Sustainable Development Goals
102-26	Sustainability Management, p: 58; Generating Sustainable and Responsible Revenue, p: 48; Corporate Governance, p: 55	
102-27	Sustainability Management, p: 58; Generating Sustainable and Responsible Revenue, p: 48; Corporate Governance, p: 55	4
102-28	Sustainability Management, p: 58; Generating Sustainable and Responsible Revenue, p: 48; Corporate Governance, p: 55	
102-29	Sustainability Management, p: 58; Generating Sustainable and Responsible Revenue, p: 48; Corporate Governance, p: 55	16
102-30	Sustainability Management, p: 58; Generating Sustainable and Responsible Revenue, p: 48; Corporate Governance, p: 55	
102-31	Sustainability Management, p: 58; Generating Sustainable and Responsible Revenue, p: 48; Corporate Governance, p: 55	
102-32	Sustainability Management, p: 58	
102-33	Sustainability Management, p: 58	
102-34	Sustainability Management, p: 58	
102-35	Mazars Denge employs a competitive wage policy for managers and employees at all levels. Career and Wage Management, p: 37	
102-36	Career and Wage Management, p: 37	
102-37	Mazars Denge does not have any practice in place.	16
102-38	Career and Wage Management, p: 37	
102-39	Career and Wage Management, p: 37	
Engagement of Stakeholders		
102-40	Engagement of Our Stakeholders, p: 19	
102-41	There is no collective labor agreement.	8
102-42	Engagement of Our Stakeholders, p: 19	
102-43	Engagement of Stakeholders, p: 19; Client Focus, p: 39	
102-44	Engagement of Stakeholders, p: 19; Client Focus, p: 39	
Reporting Practices		
102-45	Corporate Profile, p: 12.	
102-46	Our Material Topics, p: 15	
102-47	Our Material Topics, p: 15	
102-48	Our Material Topics, p: 15	
102-49	Our Material Topics, p: 15	
102-50	January 1, 2020 - December 31, 2020	
102-51	About the Report, p: 3	
102-52	About the Report, p: 3	
102-53	Contact Information, p: 76	
102-54	About the Report, p: 3	
102-55	GRI Standards Content Index, p: 70	
102-56	No external audit was conducted.	

GRI Standard	Disclosure		SDG
GRI 201: Economic Standard Series			
Economic Performance	103-1	Corporate Profile, p: 12; Sustainability Management, p: 54; Focal Area 1: Generating Sustainable and Responsible Revenue, p: 28; Corporate Governance and Risk Management, p: 52	
	103-2	Corporate Profile, p: 12; Sustainability Management, p: 58; Generating Sustainable and Responsible Revenue, p: 48; Corporate Governance, p: 55	2578
	103-3	Corporate Profile, p: 12; Sustainability Management, p: 58; Generating Sustainable and Responsible Revenue, p: 48; Corporate Governance, p: 55	
	201-1	Mazars Denge makes a significant contribution to financial literacy due to its sector and employees of the company create economic added value both through the consulting services offered to clients and the experience acquired from Mazars Denge in their future firms. Furthermore, the employees of Mazars Denge strive to teach financial literacy to entrepreneurs, students and the employees of various NGOs and increase the economic added value generated thereby.	25789
Market Presence	103-1	Corporate Profile, p: 12; Supporting Employee Development and Employee Satisfaction, p: 35	
	103-2	Corporate Profile, p: 12; Supporting Employee Development and Employee Satisfaction, p: 35	158
	103-3	Corporate Profile, p: 12; Supporting Employee Development and Employee Satisfaction, p: 35	
	202-1	Mazars Denge adopts a gender-neutral remuneration policy for all employees at a level over the minimum wage set by the Minimum Wage Determination Commission established by the Ministry of Labor and Social Security; Career and Wage Management, p: 37	158
	202-2	All members of the senior management at Mazars Denge are Turkish citizens.	8
Anti-corruption	103-1	Sustainability Management, p: 58; Generating Sustainable and Responsible Revenue, p: 48; Corporate Governance, p: 55	
	103-2	Sustainability Management, p: 58; Generating Sustainable and Responsible Revenue, p: 48; Corporate Governance, p: 55	
	103-3	Sustainability Management, p: 58; Generating Sustainable and Responsible Revenue, p: 48; Corporate Governance, p: 55	
	205-1	Mazars Denge acts in compliance with anti-corruption laws and regulations in all of its operations;	16
	205-2	Sustainability Management, p: 58; UN Global Compact: Principles and Mazars Denge, p: 62; Mazars Denge Supplier Criteria, p: 63	16
	205-3	There was no confirmed case of corruption during the reporting period.	16
Anti-Competitive Behavior	103-1	Sustainability Management, p: 58; Generating Sustainable and Responsible Revenue, p: 48; Corporate Governance, p: 55	
	103-2	Sustainability Management, p: 58; Generating Sustainable and Responsible Revenue, p: 48; Corporate Governance, p: 55	
	103-3	Sustainability Management, p: 58; Generating Sustainable and Responsible Revenue, p: 48; Corporate Governance, p: 55	
	206-1	There was no pending legal action regarding anti-competitive behaviors, violation of the anti-trust and anti-monopoly legislation during the reporting period.	16
GRI 301: Environmental Standard Series			
Materials	103-1	Reducing Negative Environmental Impact, p: 49	
	103-2	Reducing Negative Environmental Impact, p: 49	
	103-3	Reducing Negative Environmental Impact, p: 49	
	301-1	Reducing Negative Environmental Impact, p: 49	812
	301-2	Reducing Negative Environmental Impact, p: 49	812
Energy	103-1	Reducing Negative Environmental Impact, p: 49	
	103-2	Reducing Negative Environmental Impact, p: 49	
	103-3	Reducing Negative Environmental Impact, p: 49	
	302-1	Reducing Negative Environmental Impact, p: 49	781213
	302-3	Reducing Negative Environmental Impact, p: 49	781213
	302-4	Reducing Negative Environmental Impact, p: 49	781213
	302-5	Reducing Negative Environmental Impact, p: 49	781213

GRI Standard		Disclosure	SDG
Emissions	103-1	Sustainability Management, p: 58; Reducing Negative Environmental Impact, p: 49	
	103-2	Sustainability Management, p: 58; Reducing Negative Environmental Impact, p: 49	12 13 14 15
	103-3	Sustainability Management, p: 58; Reducing Negative Environmental Impact, p: 49	
	305-1	Reducing Negative Environmental Impact, p: 49	3 12 13 14 15
	305-2	Reducing Negative Environmental Impact, p: 49	3 12 13 14 15
	305-3	Reducing Negative Environmental Impact, p: 49	3 12 13 14 15
	305-4	Reducing Negative Environmental Impact, p: 49	12 13 14 15
Wastewater and Effluents	103-1	Sustainability Management, p: 58; Reducing Negative Environmental Impact, p: 49	
	103-2	Sustainability Management, p: 58; Reducing Negative Environmental Impact, p: 49	12 13 14 15
	103-3	Sustainability Management, p: 58; Reducing Negative Environmental Impact, p: 49	
	306-2	Reducing Negative Environmental Impact, p: 49	3 6 12 13 14 15
Compliance	103-1	Sustainability Management, p: 58	
	103-2	Sustainability Management, p: 58	12 13 14 15
	103-3	Sustainability Management, p: 58	
	307-1	There was no case of violation regarding environmental law and regulations at Mazars Denge during the reporting period.	12 13 14 15 16
Supplier Environmental Assessment	103-1	Mazars Denge Supplier Criteria, p: 63	
	103-2	Mazars Denge Supplier Criteria, p: 63	
	103-3	Mazars Denge Supplier Criteria, p: 63	
	308-1	Mazars Denge Supplier Criteria, p: 63; Mazars Denge strives to make sure that all its suppliers act within the framework of Mazars Denge Supplier Principles and monitors their compliance with these principles.	
	308-2	No existing or potential negative environmental impact was identified regarding suppliers during the reporting period.	
GRI 401: Social Standard Series			
Employment	103-1	Supporting Sustainable Employee Development and Employee Satisfaction, p: 35	
	103-2	Supporting Sustainable Employee Development and Employee Satisfaction, p: 35	
	103-3	Supporting Sustainable Employee Development and Employee Satisfaction, p: 35	
	401-1	Supporting Sustainable Employee Development and Employee Satisfaction, p: 35	5 8
	401-2	Supporting Sustainable Employee Development and Employee Satisfaction, p: 35	8
	401-3	Supporting Sustainable Employee Development and Employee Satisfaction, p: 35	5 8
Labor/ Management Relations	103-1	Supporting Sustainable Employee Development and Employee Satisfaction, p: 35	
	103-2	Supporting Sustainable Employee Development and Employee Satisfaction, p: 35	
	103-3	Supporting Sustainable Employee Development and Employee Satisfaction, p: 35	
	402-1	Mazars Denge acts in accordance with the notice periods stipulated in the Labor Law regulating these matters in Turkey; Mazars Denge does not have any applicable collective labor agreement during the reporting period.	8
Occupational Health & Safety	103-1	Supporting Sustainable Employee Development and Employee Satisfaction, p: 35	
	103-2	Supporting Sustainable Employee Development and Employee Satisfaction, p: 35	
	103-3	Supporting Sustainable Employee Development and Employee Satisfaction, p: 35	
	403-1	Established as per the internal regulations, the Occupational Health and Safety Committee is composed of an Occupational Health and Safety Expert, a Workplace Doctor and an Employer's Representative as well as employee representatives and an HR representative.	8
	403-2	No occupational accident, disease, lost day and absence occurred during the reporting period.	3 8
	403-3	No occupational accident, disease, lost day and absence occurred during the reporting period.	3 8

GRI Standard	Disclosure	SDG
Education and Training	103-1 Supporting Sustainable Employee Development and Employee Satisfaction, p: 35	
	103-2 Supporting Sustainable Employee Development and Employee Satisfaction, p: 35	
	103-3 Supporting Sustainable Employee Development and Employee Satisfaction, p: 35	
	404-1 Supporting Sustainable Employee Development and Employee Satisfaction, p: 35	5 8
	404-2 Supporting Sustainable Employee Development and Employee Satisfaction, p: 35	8
	404-3 Supporting Sustainable Employee Development and Employee Satisfaction, p: 35	5 8
Diversity and Equal Opportunities	103-1 Supporting Sustainable Employee Development and Employee Satisfaction, p: 35	
	103-2 Supporting Sustainable Employee Development and Employee Satisfaction, p: 35	
	103-3 Supporting Sustainable Employee Development and Employee Satisfaction, p: 35	
	405-1 Supporting Sustainable Employee Development and Employee Satisfaction, p: 35	5 8
	405-2 Mazars Denge employs a gender-neutral remuneration policy for its employees; For detailed information on the wage policy, see Focal Area 3: Supporting Employee Development and Employee Satisfaction, p: 32	5 8 10
Non-Discrimination	103-1 Supporting Sustainable Employee Development and Employee Satisfaction, p: 35	
	103-2 Supporting Sustainable Employee Development and Employee Satisfaction, p: 35	
	103-3 Supporting Sustainable Employee Development and Employee Satisfaction, p: 35	
	406-1 During the reporting period, there was no case of discrimination.	5 8 16
Freedom of Association and Collective Bargaining	103-1 Supporting Sustainable Employee Development and Employee Satisfaction, p: 35	
	103-2 Supporting Sustainable Employee Development and Employee Satisfaction, p: 35	
	103-3 Supporting Sustainable Employee Development and Employee Satisfaction, p: 35	
	407-1 During the reporting period, no violation occurred regarding the freedom of association and collective bargaining. Mazars Denge enshrines the freedom of association and collective bargaining within the framework defined by law.	8
Child Labor	103-1 UN Global Compact: Principles and Mazars Denge, p: 62; Mazars Denge Supplier Criteria, p: 63	
	103-2 UN Global Compact: Principles and Mazars Denge, p: 62; Mazars Denge Supplier Criteria, p: 63	
	103-3 UN Global Compact: Principles and Mazars Denge, p: 62; Mazars Denge Supplier Criteria, p: 63	
	408-1 Mazars Denge engages in no activity posing risk for potential cases of child labor; The compliance of suppliers with the ban of child labor is monitored through various channels.	8 16
Forced and Compulsory Labor	103-1 UN Global Compact: Principles and Mazars Denge, p: 62; Mazars Denge Supplier Criteria, p: 63	
	103-2 UN Global Compact: Principles and Mazars Denge, p: 62; Mazars Denge Supplier Criteria, p: 63	
	103-3 UN Global Compact: Principles and Mazars Denge, p: 62; Mazars Denge Supplier Criteria, p: 63	
	409-1 Mazars Denge engages in no activity posing risk for potential cases of forced or compulsory labor; The compliance of suppliers with the ban of forced or compulsory labor is monitored through various channels.	8
Rights of Indigenous Peoples	103-1 UN Global Compact: Principles and Mazars Denge, p: 62; Mazars Denge Supplier Criteria, p: 63	
	103-2 UN Global Compact: Principles and Mazars Denge, p: 62; Mazars Denge Supplier Criteria, p: 63	
	103-3 UN Global Compact: Principles and Mazars Denge, p: 62; Mazars Denge Supplier Criteria, p: 63	
	411-1 During the reporting period, there was no case of violation regarding the rights of indigenous peoples.	2
Supplier Human Rights Assessment	103-1 UN Global Compact: Principles and Mazars Denge, p: 62; Mazars Denge Supplier Criteria, p: 63	
	103-2 UN Global Compact: Principles and Mazars Denge, p: 62; Mazars Denge Supplier Criteria, p: 63	
	103-3 UN Global Compact: Principles and Mazars Denge, p: 62; Mazars Denge Supplier Criteria, p: 63	
	412-1 UN Global Compact: Principles and Mazars Denge, p: 62; Mazars Denge Supplier Criteria, p: 63	
	412-2 Employee Commitment and Satisfaction, p: 42; The training events organized during the reporting period cover the theme of "Human Rights".	



GRI Standard	Disclosure	SDG
Local Communities	103-1 Supporting Societal Development, p: 52	
	103-2 Supporting Societal Development, p: 52	
	103-3 Supporting Societal Development, p: 52	
	413-1 Mazars Denge supports many non-governmental organizations and projects within the scope of corporate social responsibility practices.	
	413-2 Mazars Denge does not have any operation that would negatively affect local communities.	1 2
Supplier Social Impact Assessment	103-1 Sustainability Management, p: 58; Mazars Denge Supplier Criteria, p: 63	
	103-2 Sustainability Management, p: 58; Mazars Denge Supplier Criteria, p: 63	
	103-3 Sustainability Management, p: 58; Mazars Denge Supplier Criteria, p: 63	
	414-1 Mazars Denge Supplier Criteria, p: 63; Mazars Denge strives to make sure that all its suppliers act within the framework of Mazars Denge Supplier Principles and monitors their compliance with these principles.	5 8 16
	414-2 Mazars Denge monitors all its suppliers against the actual and potential adverse impacts of labor practices within its supply chain in line with the Supplier Principles set thereby; No existing or potential negative impact was encountered during the reporting period.	5 8 16
Health and Safety of Clients	103-1 Our Services, p: 12	
	103-2 Our Services, p: 12	
	103-3 Our Services, p: 12	
	416-1 Our Services, p: 12; Sustainability Management, p: 58	
	416-2 There was no violation regarding this issue during the reporting period.	16
Product and Service Labeling	103-1 Client Focus, p: 39	
	103-2 Client Focus, p: 39	
	103-3 Client Focus, p: 39	
	417-3 There was no violation regarding this issue during the reporting period.	
Client Privacy	103-1 Sustainability Management, p: 58; Generating Sustainable and Responsible Revenue, p: 48; Corporate Governance, p: 55; Information Security, p: 46	
	103-2 Sustainability Management, p: 58; Generating Sustainable and Responsible Revenue, p: 48; Corporate Governance, p: 55; Information Security, p: 46	
	103-3 Sustainability Management, p: 58; Generating Sustainable and Responsible Revenue, p: 48; Corporate Governance, p: 55; Information Security, p: 46	
	418-1 No complaint was received regarding the violation of client privacy and the loss of client data during the reporting period.	16
Compliance	103-1 Sustainability Management, p: 58; Generating Sustainable and Responsible Revenue, p: 48; Corporate Governance, p: 55	
	103-2 Sustainability Management, p: 58; Generating Sustainable and Responsible Revenue, p: 48; Corporate Governance, p: 55	
	103-3 Sustainability Management, p: 58; Generating Sustainable and Responsible Revenue, p: 48; Corporate Governance, p: 55	
	419-1 There was no fine or sanction arising out of non-compliance with laws and regulations during the reporting period.	16
	419-1 There was no case of non-compliance with the laws and regulations associated with the supply and use of products and services during the reporting period.	16

“We strive to do more than we can in order not to disappoint the trust of all our managers' in us. I am so glad that they are with us. I feel very lucky to be a part of this family.”

“Companies that really value their employees have proved themselves during the pandemic. We have been saying for years that there is a family atmosphere at Denge and we have witnessed this once again throughout this period. I am so glad that we have a senior management and crisis desk managers who think of us more than we do!”

“Thanks to the Covid-19, we have actually observed that we can work without coming to the office. In particular, as stated by our CEO Mr. İzel, it is essential for people to be happy while working, and my colleagues have seen that they are more productive through remote work. On this occasion, I would like to thank our company management once again for their wonderful management mentality and the value they have attached to us throughout this period.”

“We are very fortunate to be part of a family that can say 'people first' under any condition and situation. Once again, we have felt that we are not alone.”



# Contact

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Founded as a partnership of 2 people in 1977, Denge became integrated with Mazars in 1999. Mazars Denge serves to nearly 1,500 clients through more than 350 professionals in 6 provinces including Istanbul, Ankara, Bursa, Izmir, Denizli and Gaziantep across Turkey.

[www.mazars.com.tr](http://www.mazars.com.tr)

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